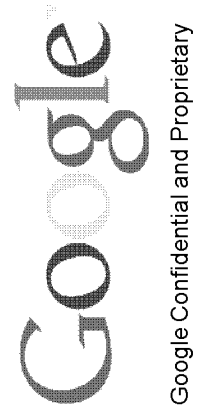


**EXHIBIT 93 TO  
HARVEY DECLARATION  
REDACTED VERSION**

---

# Google Compensation Basics

## *Building a foundation of knowledge*



# Objectives

Google

- 1) Provide recruiters with a strong foundational knowledge of compensation at Google
- 2) Prepare recruiters for common comp-related questions, objections and circumstances that they may encounter while working with a candidate
- 3) Increase transparency of Google's compensation philosophy and processes
- 4) Encourage broader recruiter collaboration with compensation team

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# Agenda



Compensation Philosophy

Compensation Structure

Bonus Plans

Equity

Benefits

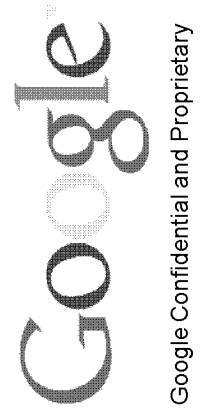
Recognition Plans

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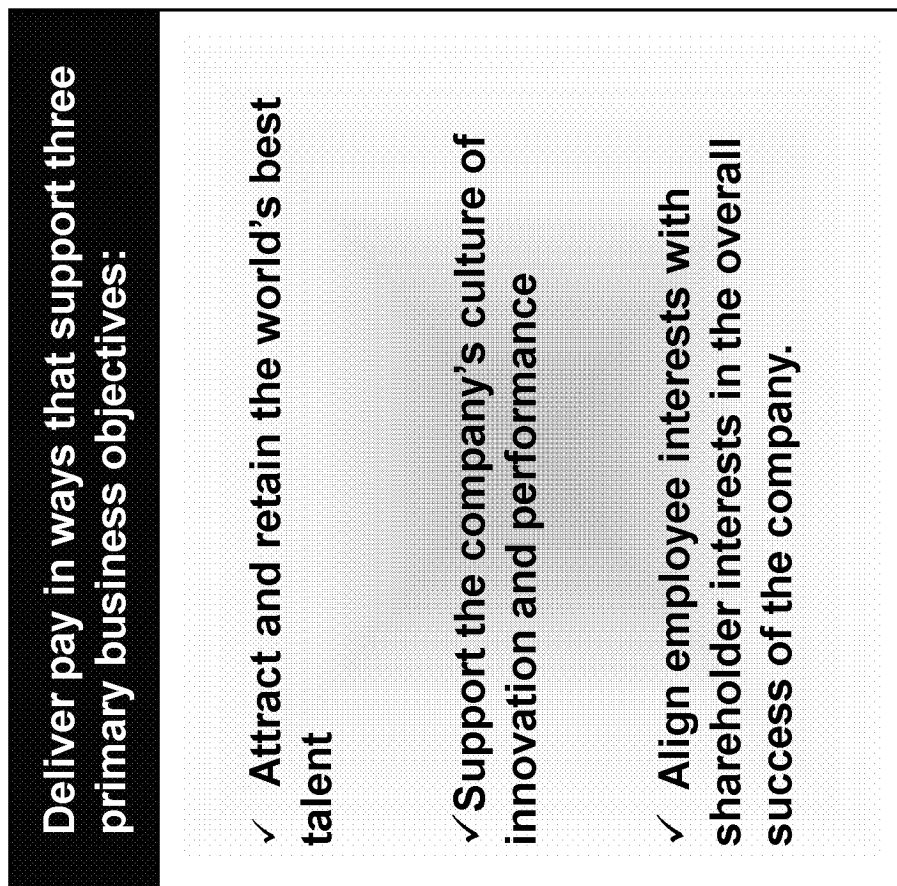
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# Philosophy

## *Value Proposition, Application, Roadblocks*



# Compensation Philosophy



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# Total Reward Value Proposition

Google

Google designs competitive total reward packages

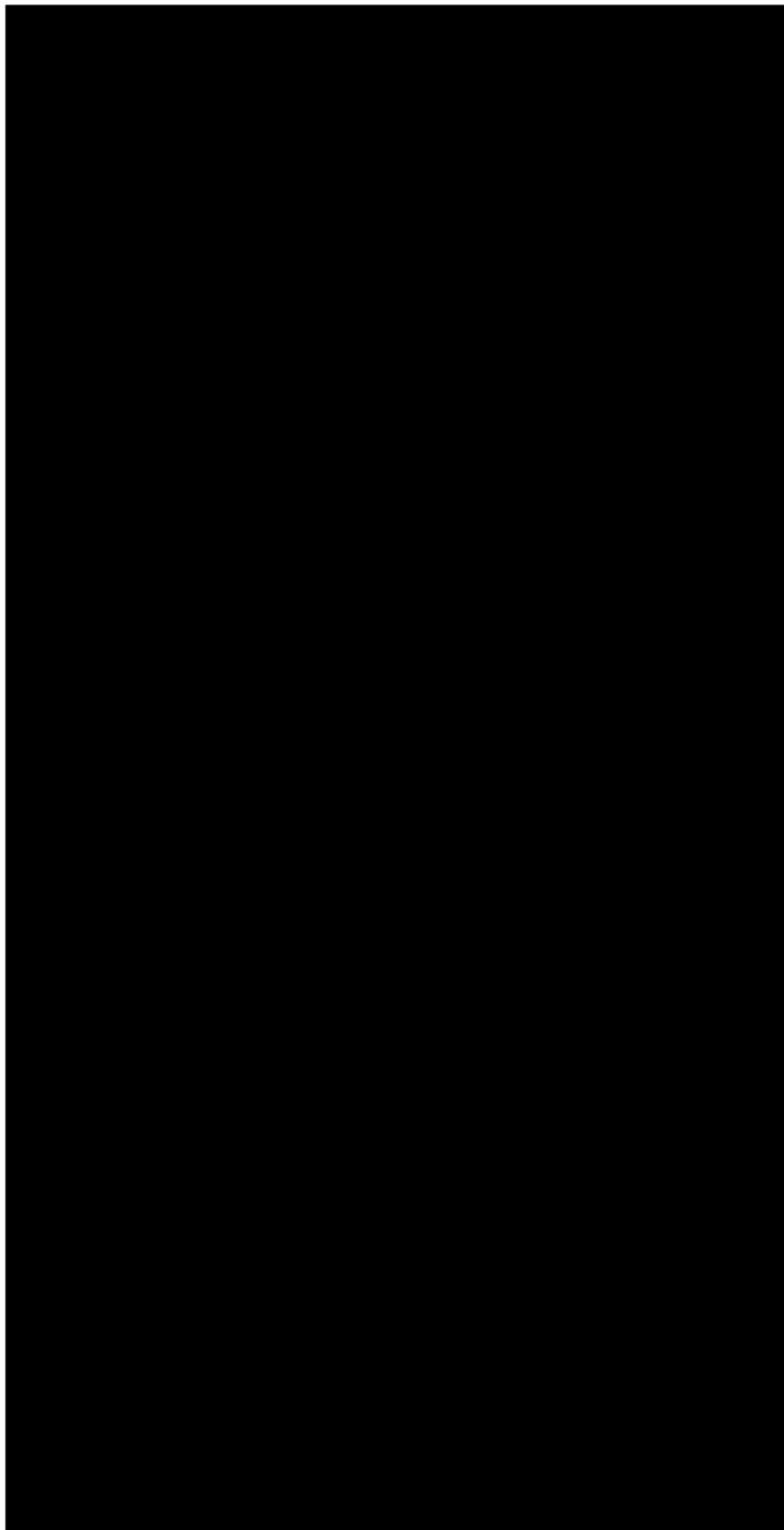
REWARD ELEMENT		OBJECTIVE
TOTAL REWARD	WORK CONTENT, ENVIRONMENT & CULTURE	Build one of the most intelligent, highly motivated groups of employees in the world and foster a flat, collaborative work environment. Provide ongoing exposure to interesting and challenging work
	BENEFITS	Be a market leader in indirect awards in a way that adds meaningful value to employees' personal and professional lives
	EQUITY	Provide all employees with an ownership stake in the company's future performance, AND "meaningful" future value at grant
	BONUS	Above-market highly leveraged short-term cash incentives that reward individual contributions rather than tenure or roles
	BASE	Competitive base salaries
TOTAL REMUNERATION		
TOTAL DIRECT PAY		

# What's our history and where are we today? Google

Illustrative

*Our **target** pay rates have changed over time...*

*(actual varies with individual and company performance)*



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## Level 4 total direct compensation (as % of Year 1 base salary)

Google



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## Compensation Philosophy - Roadblocks

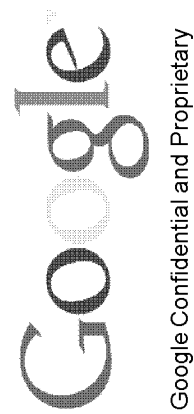
- Misunderstandings of Programs
- Expectations (e.g. GSU's, TSO's)
- Perception of value (e.g. Refresh grants)
- Talent Pool

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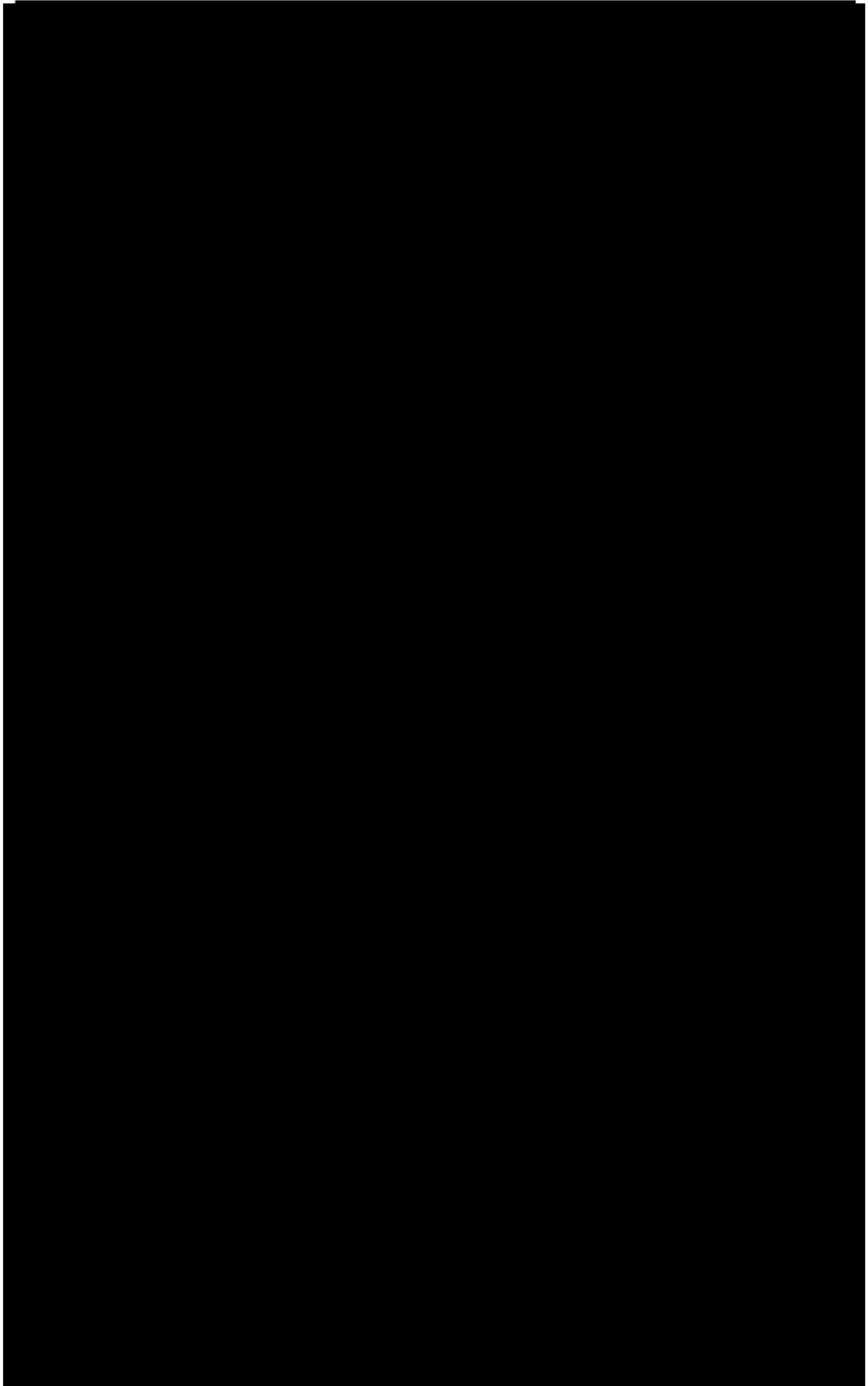
# Compensation Structure

## *Ladders, Leveling, Benchmarking and Ranges*



Google

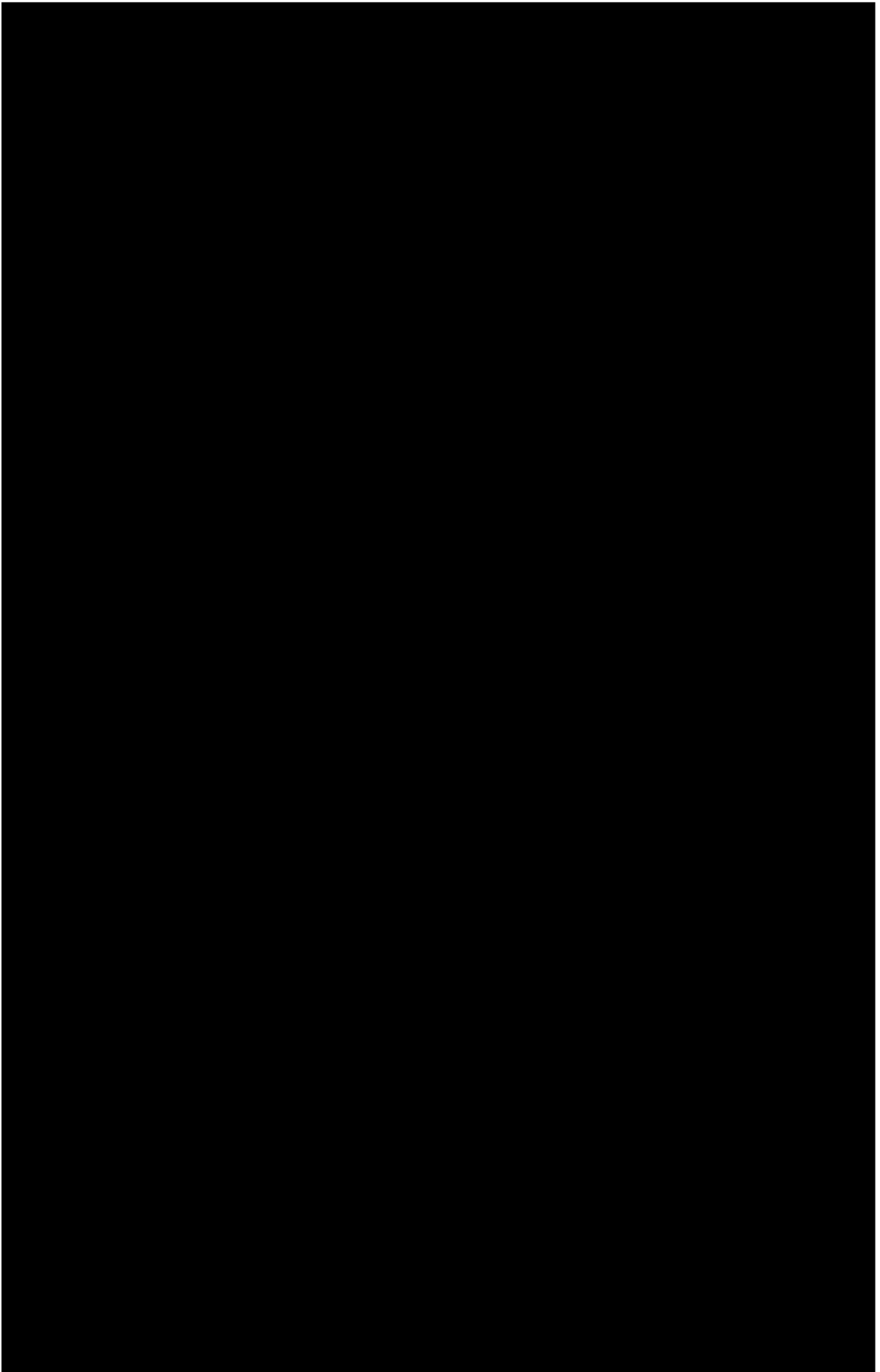
Job Ladders



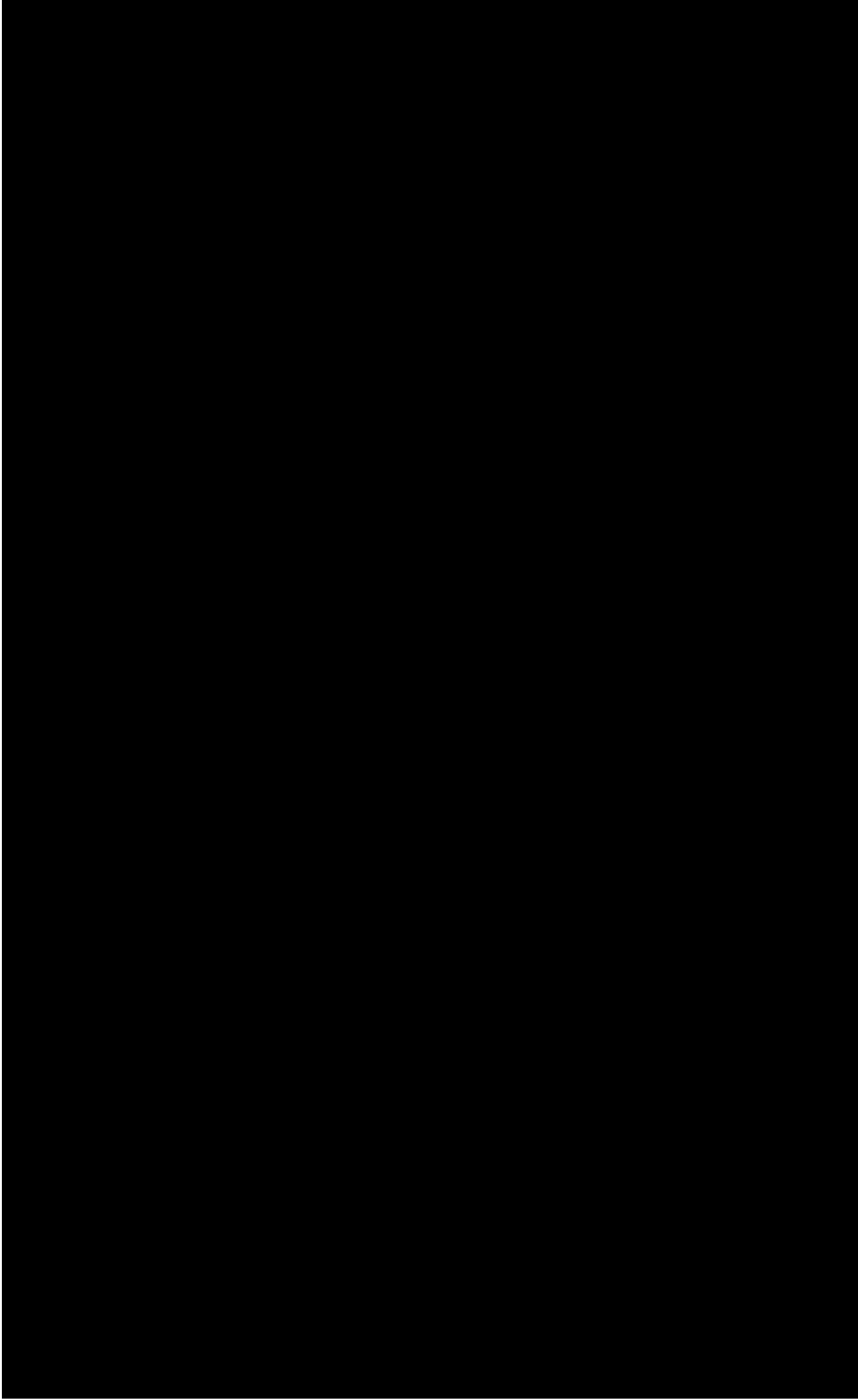
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Google

Sample Job Family - SWE



# Sample Job Family - Compensation Analyst Google

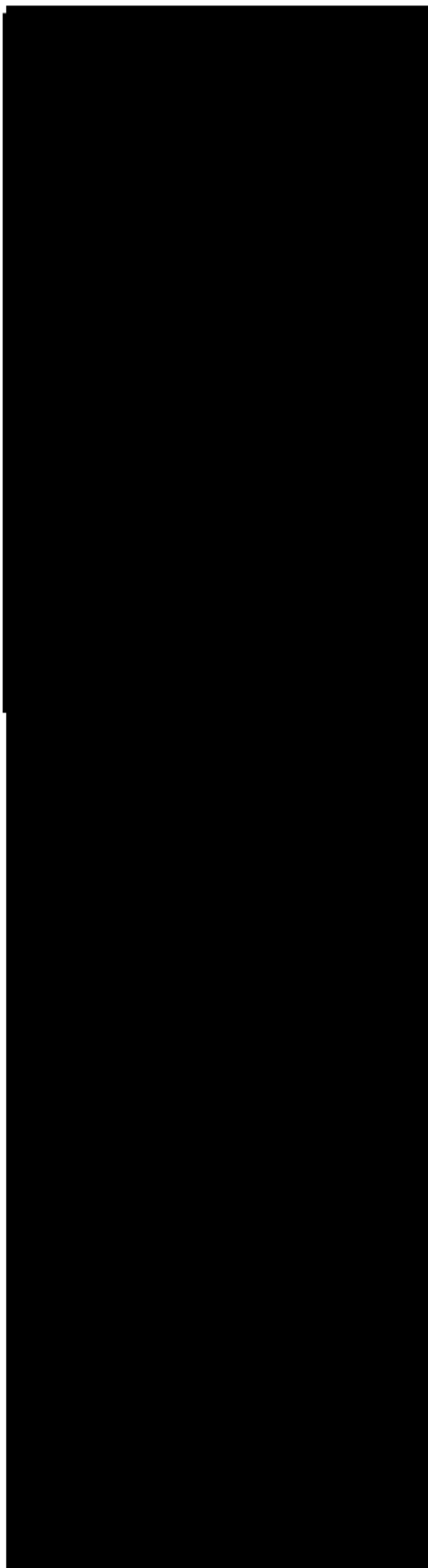


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# Leveling the Job

Google



## Example: University Programs Specialist (Sydney)

- Experience is designing
- Highly motivated individual with strong
- Excellent analytical
- Comfortable working in a fast
- BA/BS degree with a minimum

**Establish Job Level and Profile**

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# Benchmarking

Google

What is Google's intended position relative to market (non-sales)?

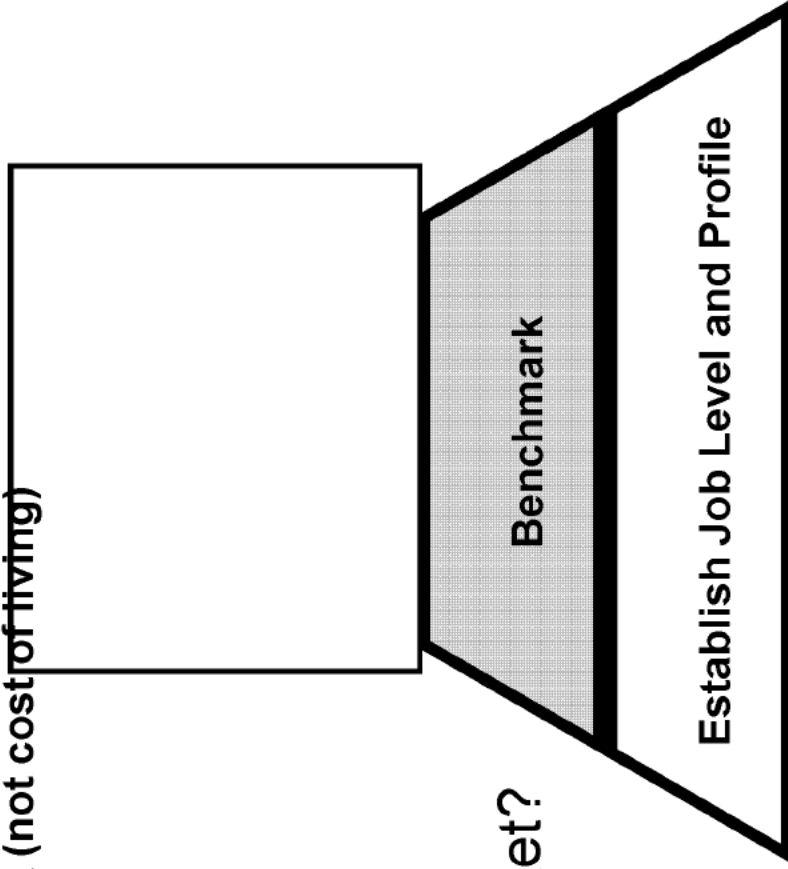
- [REDACTED] percentile for each element of pay (base, bonus, equity)
- We pay in accordance with the local market (**not cost of living**)

How do we measure the market?

- External Survey Market Data
- Informal/Anecdotal sources
- Peer comparator companies

How do we compare jobs to market?

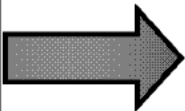
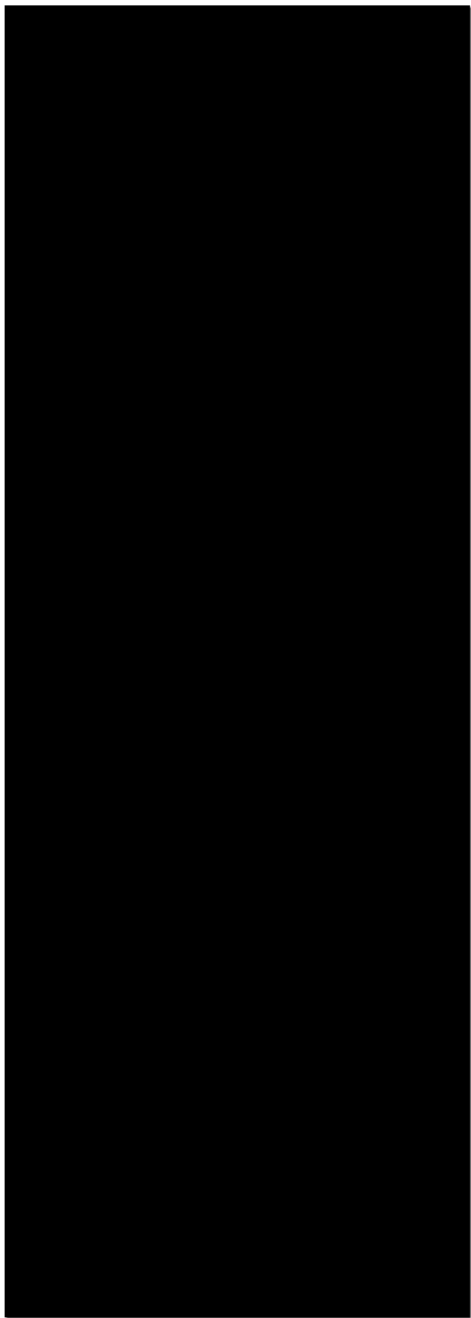
- Functionally
- Scope factors
- Geographically



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Google

Benchmarking Process



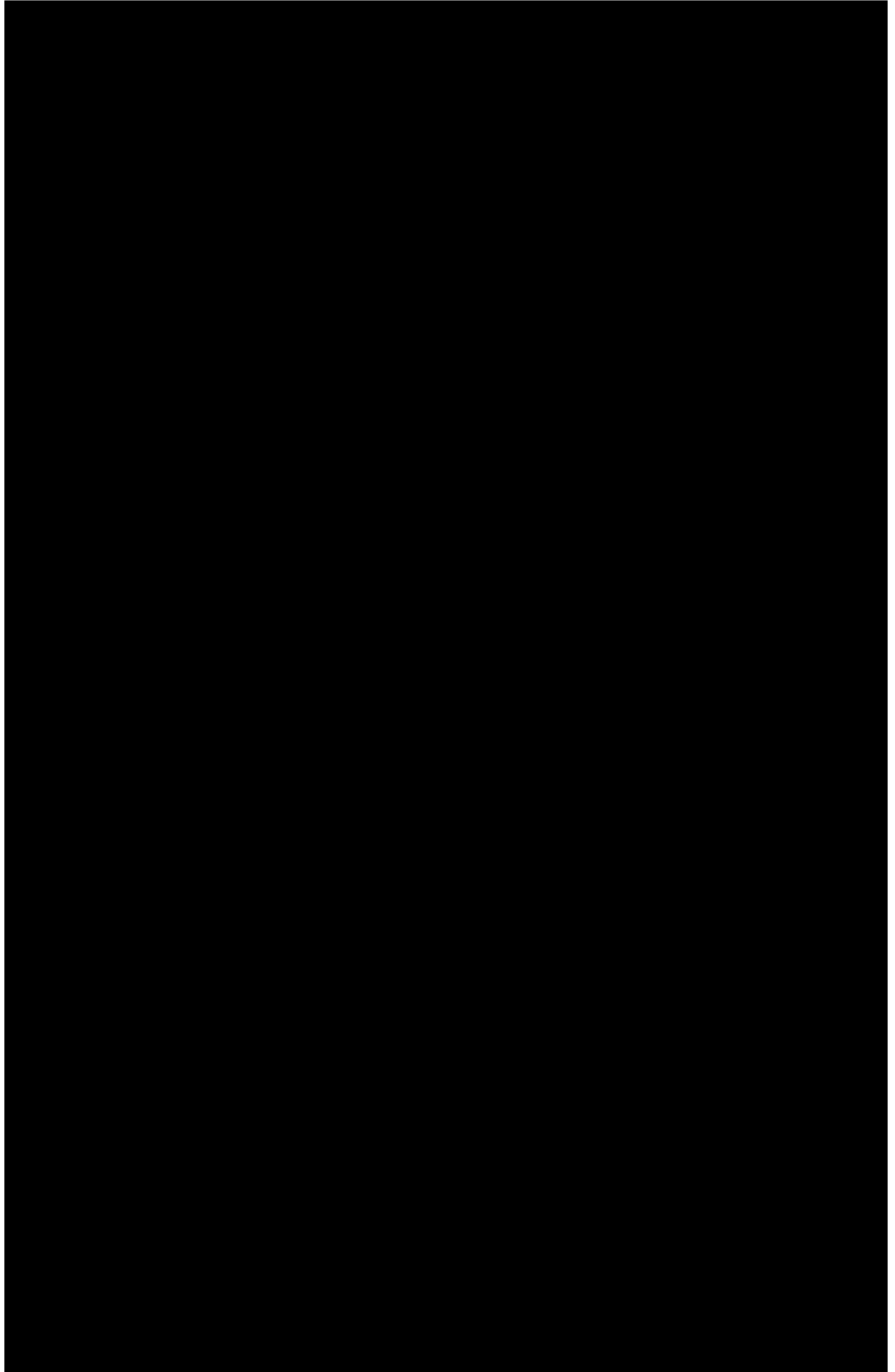
Google

Mountain View	<div></div>
Sydney	<div></div>

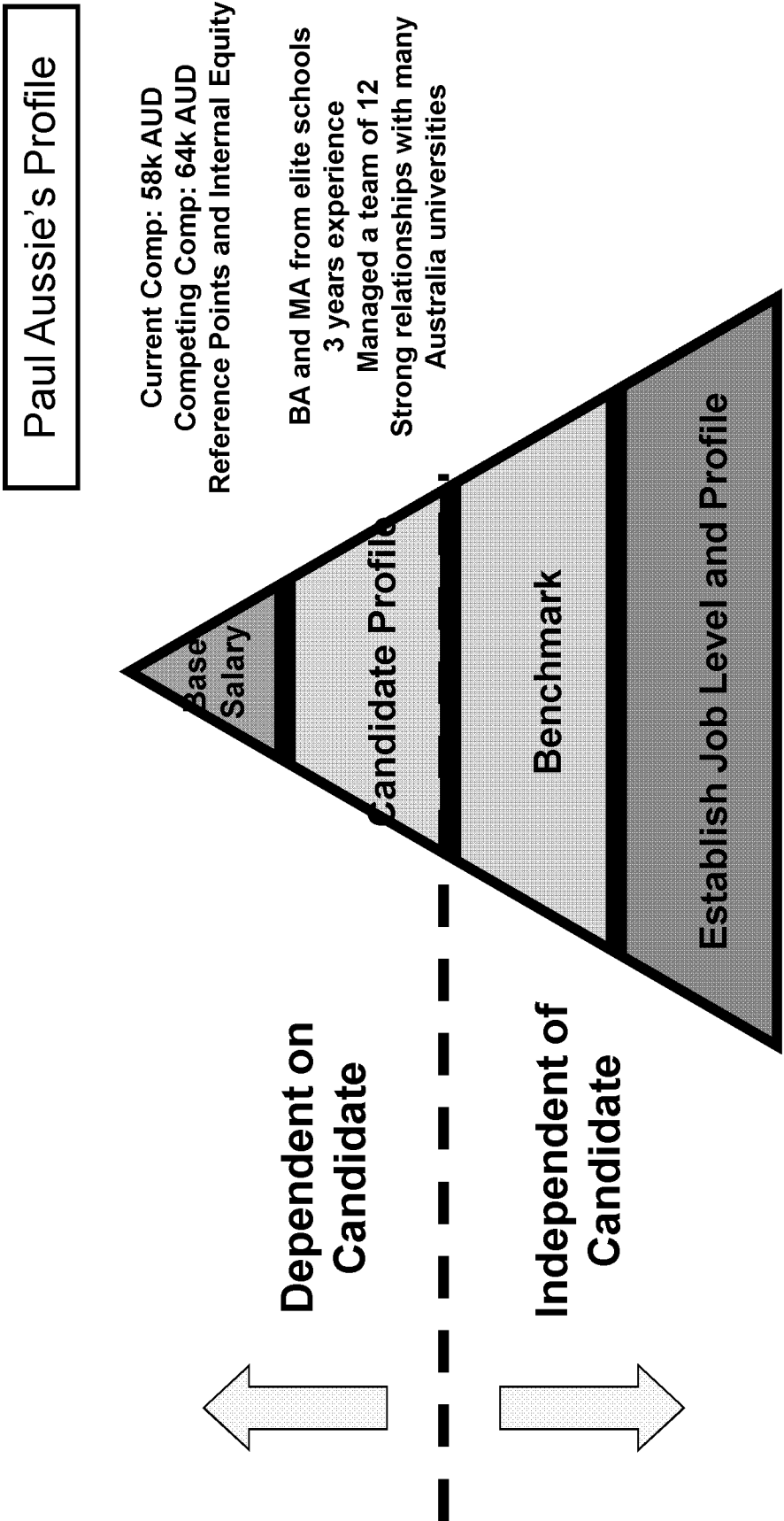
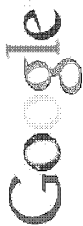
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Google

## Establishing Salary Ranges



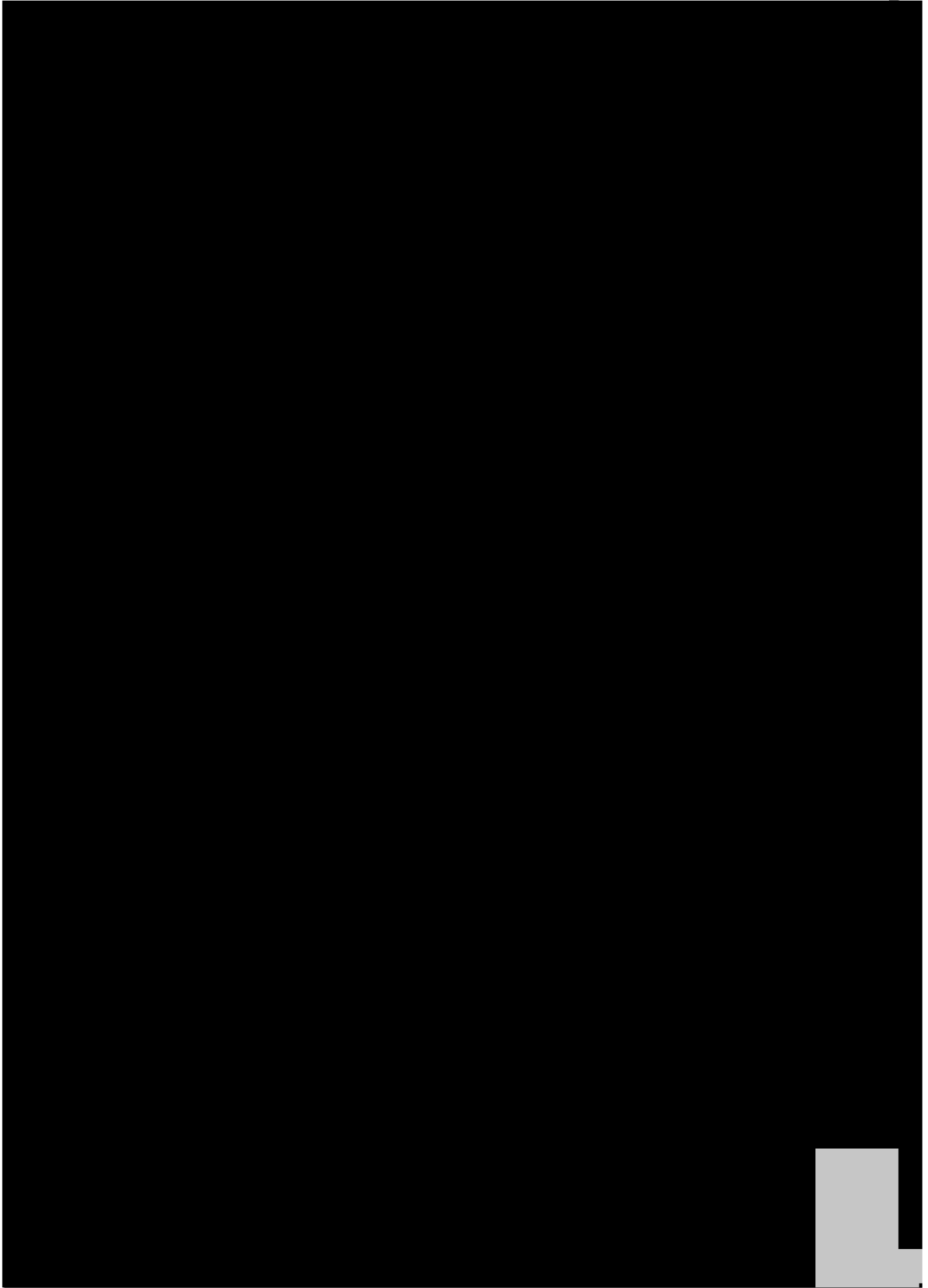
# Determining Base Salary for Paul Aussie



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Google

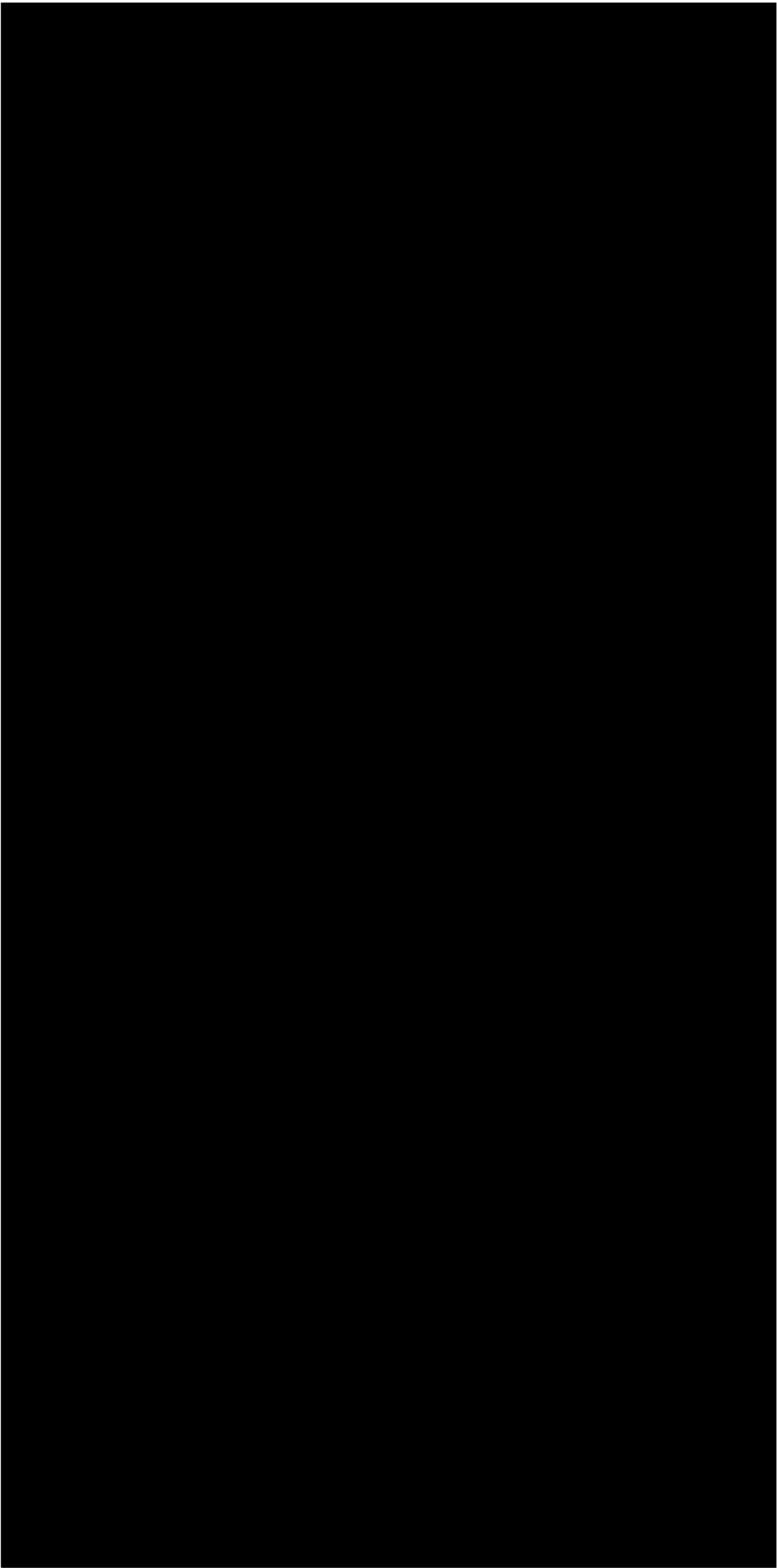
## Establishing Salary Ranges





Google

Slotting

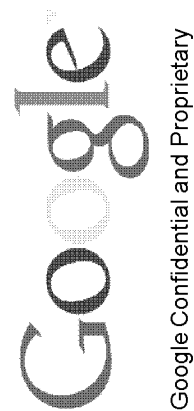


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# Bonus Programs

*Company, Sales, Sign-on, Relocation, Retention*



# Company Bonus Program



Google offers above-market target cash incentives and an opportunity to earn up to [REDACTED].

[REDACTED]	
<i>(Percentages shown reflect percent of salary)</i>	

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# Company Bonus Program

Digitized by Google

**Company Bonus Plan Mechanics:**

**Calculation Detail:**

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# Company Bonus Program

Eligibility

[Redacted]

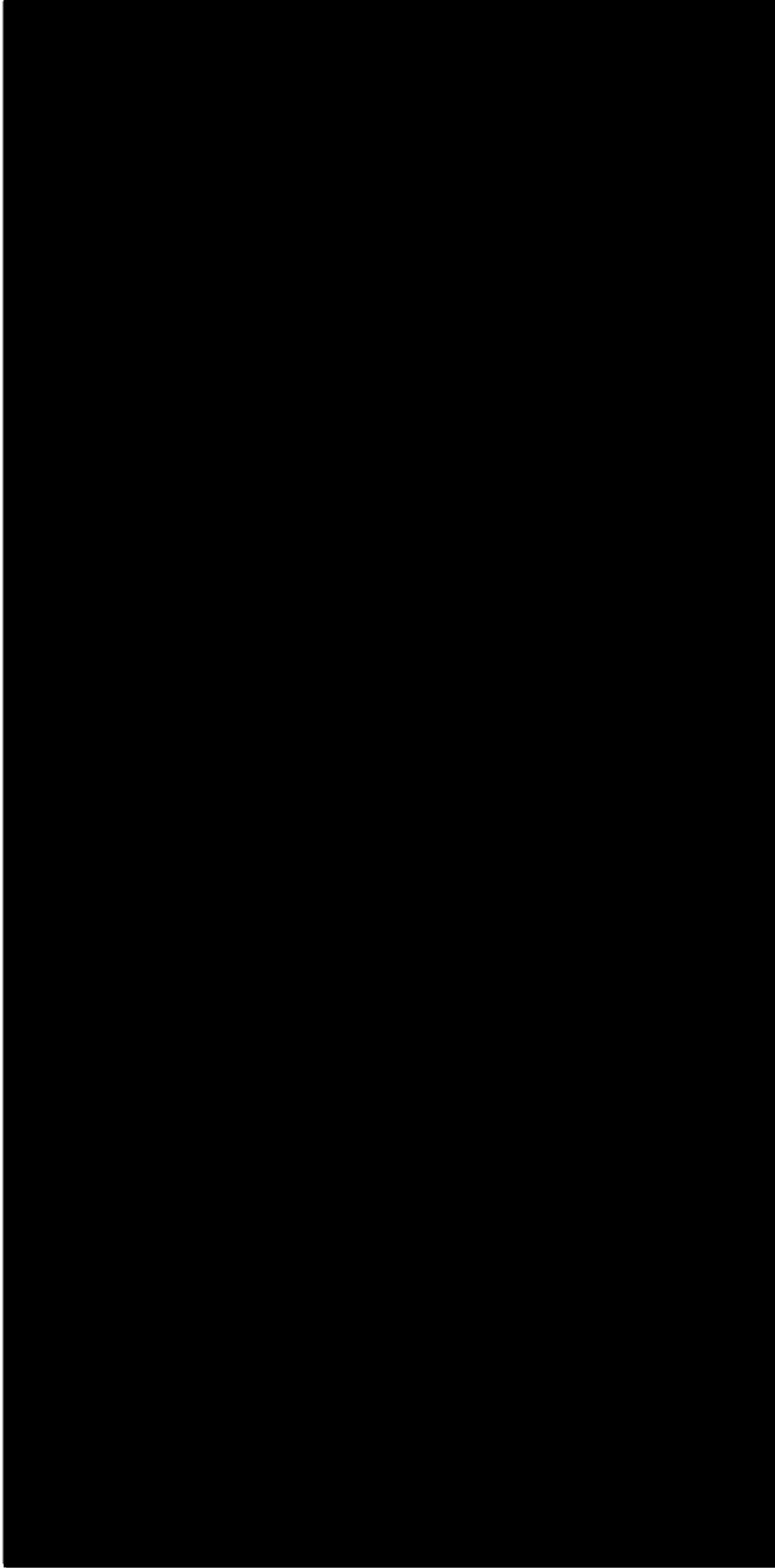
Payout

[Redacted]

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Google

## Sales Incentive Program



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Google

# Sales Incentive Program

## Sales Incentive Plan Mechanics:

[REDACTED]

## OSO Quarterly Bonus Plan Mechanics : ANNUAL TRUE UP

[REDACTED]

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# Sign-on Bonus

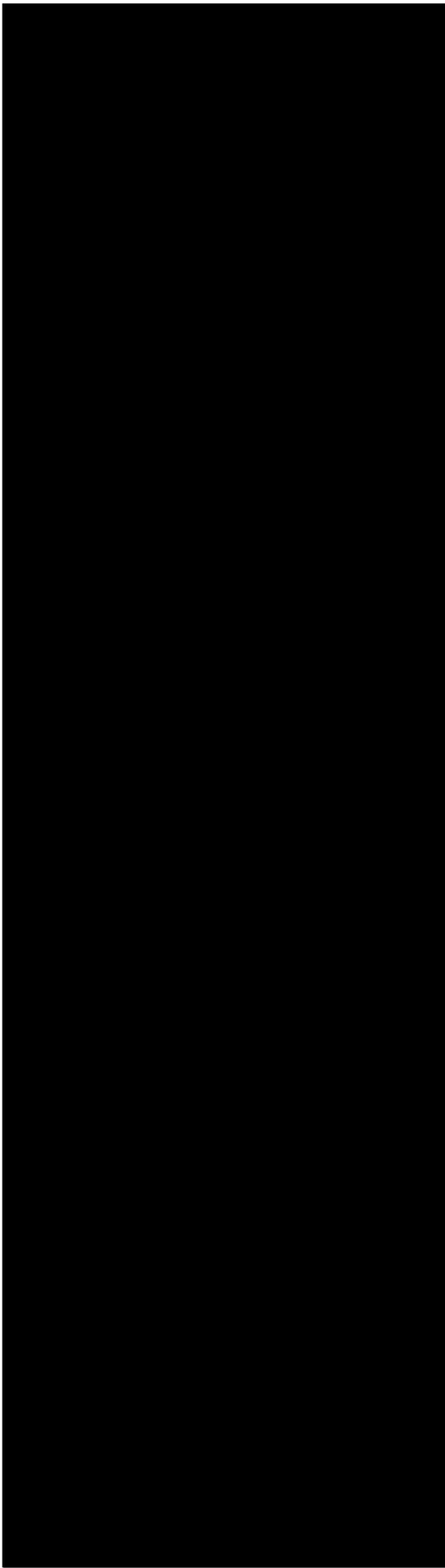


## Overview

- Short-term vehicle used for “must-have” candidates
- Offset legitimate issues not addressed by other total reward elements

Sign-On Appropriate

Don't Use Sign-On



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# Relocation Packages (U.S)

Google

## Core Plan:

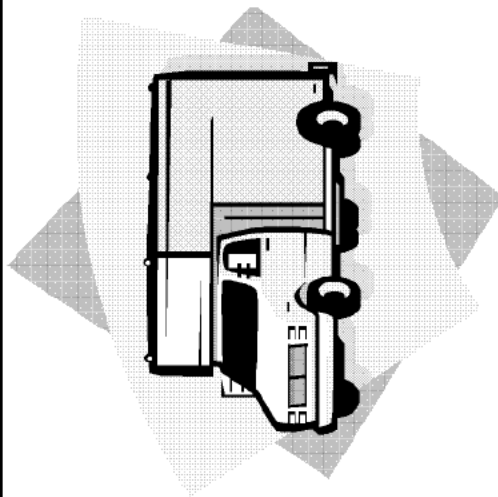
.

[REDACTED]

## Homeowners Plan:

.  
. .  
.

[REDACTED]



## Executive Plan:

.

[REDACTED]

**\*\* Plan should be noted in OWF \*\***

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# International Relocation

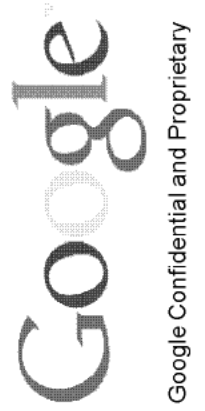
## Eligibility

- [Redacted]

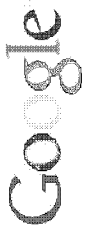
## Process

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

Equity



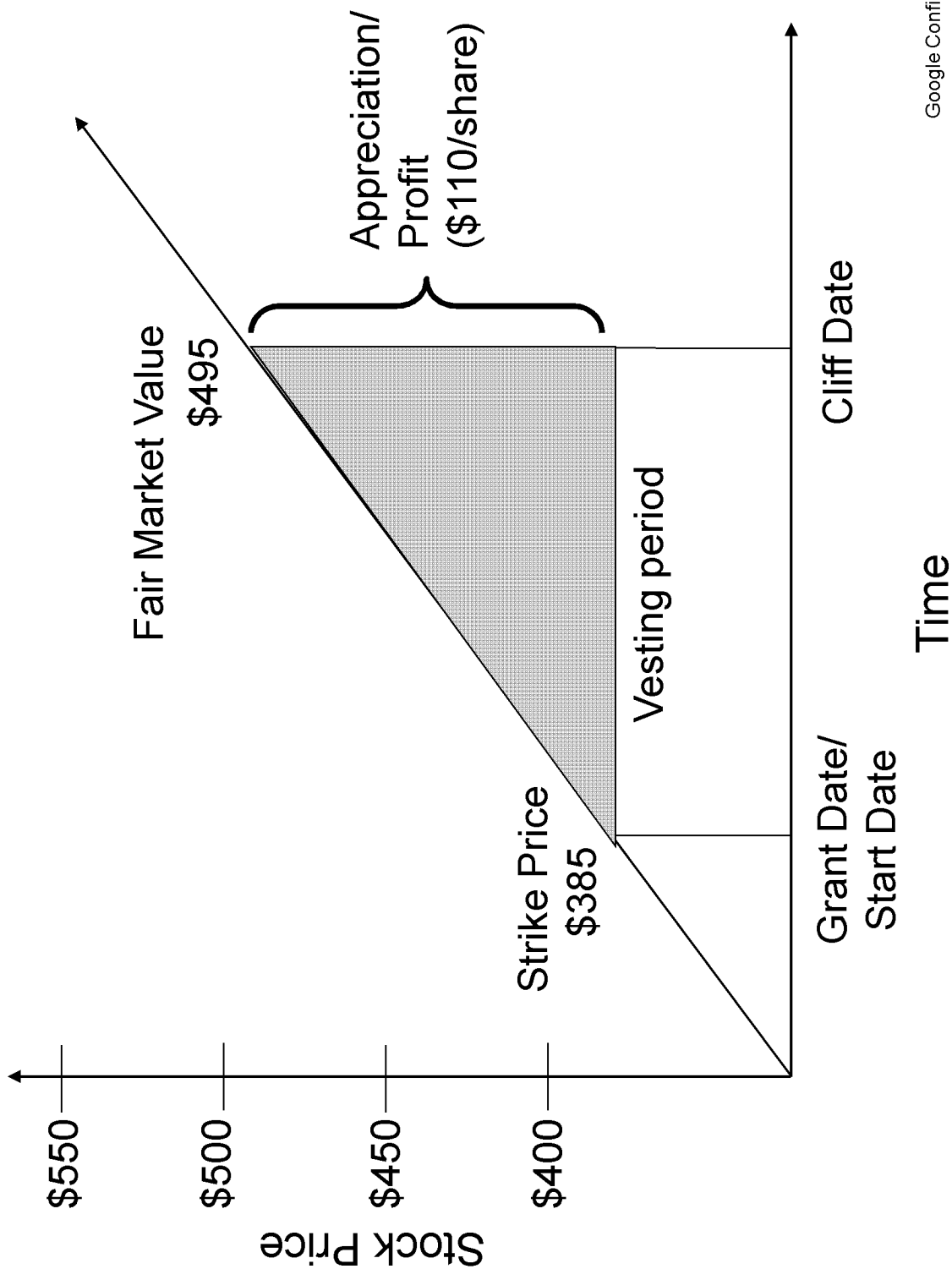
# Stock Options: Overview



- A stock option is a securities contract that gives the holder (the “Optionee”) the right to purchase a set number of shares of the Company’s Common Stock at a fixed price (the “strike price”).
- The **strike price**, or exercise price, is based on the value of the stock on the day the option was granted.
- An Employee is not able to exercise, or purchase his/her stock options until they have “vested”.
  - Vest over four years:  $\frac{1}{4}$ <sup>th</sup> after year one, and  $\frac{1}{48}$ <sup>th</sup> per month thereafter
  - Granted at Fair Market Value (closing price on the date of grant)



# How is a “normal” stock option valued?

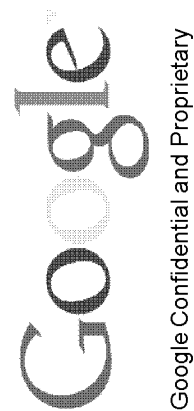


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# Transferable Stock Options

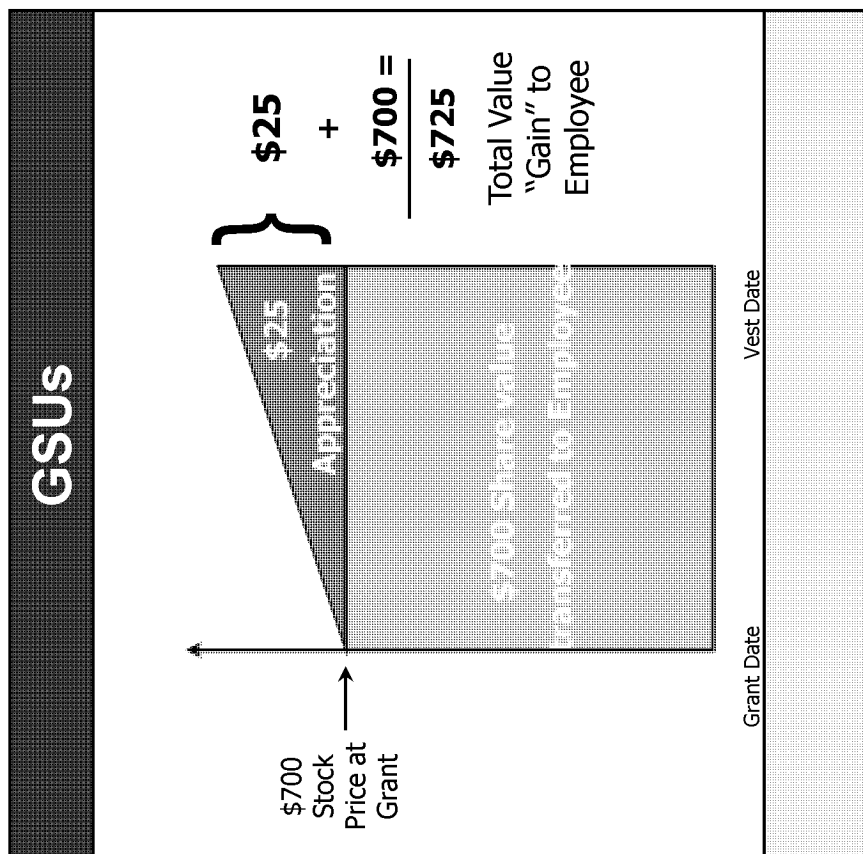
## *Program Overview, TSO Value, Auction Process*



# GSUs

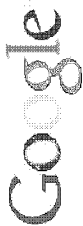
Google

- Similar to restricted stock
- Offer employees almost immediate “value” and “downside protection”
- Vest over four years: 1/4<sup>th</sup> per year
- No stock price movement is necessary for employee to realize a “gain”
- Gain is equal to the full price of the stock on the day of vest
- Performance contingent nature allows to calibrate value delivery on an after-the-fact basis



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# Stock Options vs. GSUs: Tax Implications



**Note: Tax treatment varies by country**

Stock Options	<ul style="list-style-type: none"><li>• Gain to the employee is taxed as ordinary income <u>when the options are exercised</u></li><li>• Upon sale of acquired shares, any further appreciation is taxed at applicable capital gains rates</li></ul>
GSUs	<ul style="list-style-type: none"><li>• Gain to the employee (i.e., full share value + appreciation/depreciation) is taxed as ordinary income <u>when the units vest</u><ul style="list-style-type: none"><li>➤ Shares are granted net of tax withholding as shown:</li></ul></li><li>• Upon sale of acquired shares, any further appreciation is taxed at applicable capital gains rates</li></ul> <div><div><div>Total GSUs Vested</div><div>25 GSUs</div></div><div>=</div><div><div>Gross Shares Granted</div><div>25 Class A Google Shares</div></div><div>-</div><div><div>Employee Income Taxes Withheld</div><div>11 Class A Google Shares (Rate = 42.93%)</div></div><div>=</div><div><div>Final Shares Acquired</div><div>14 Class A Google Shares</div></div></div>

**... however, Google cannot offer tax advice and managers should direct candidates to their own tax advisors**

# Refresher Grants Overview



## Overview

[Redacted content]

## Eligibility

[Redacted content]

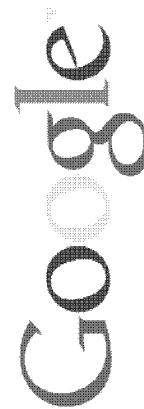
In some locations the refresh is in the form of GSUs

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# Benefits

*Health Insurance, Commuting, Food, Gym, Education,  
Savings Plans*



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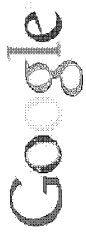
## Benefits - US

Google

- In the United States, Google provides more than [REDACTED] of base salary in benefits
  - Ex. An individual has a base salary of [REDACTED] He/She would be receiving **an additional** [REDACTED] in benefits per year.
- According to the US Department of Labor's Bureau of Labor Statistics the average company provides 30.2% of total compensation in benefits

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# Benefits - US

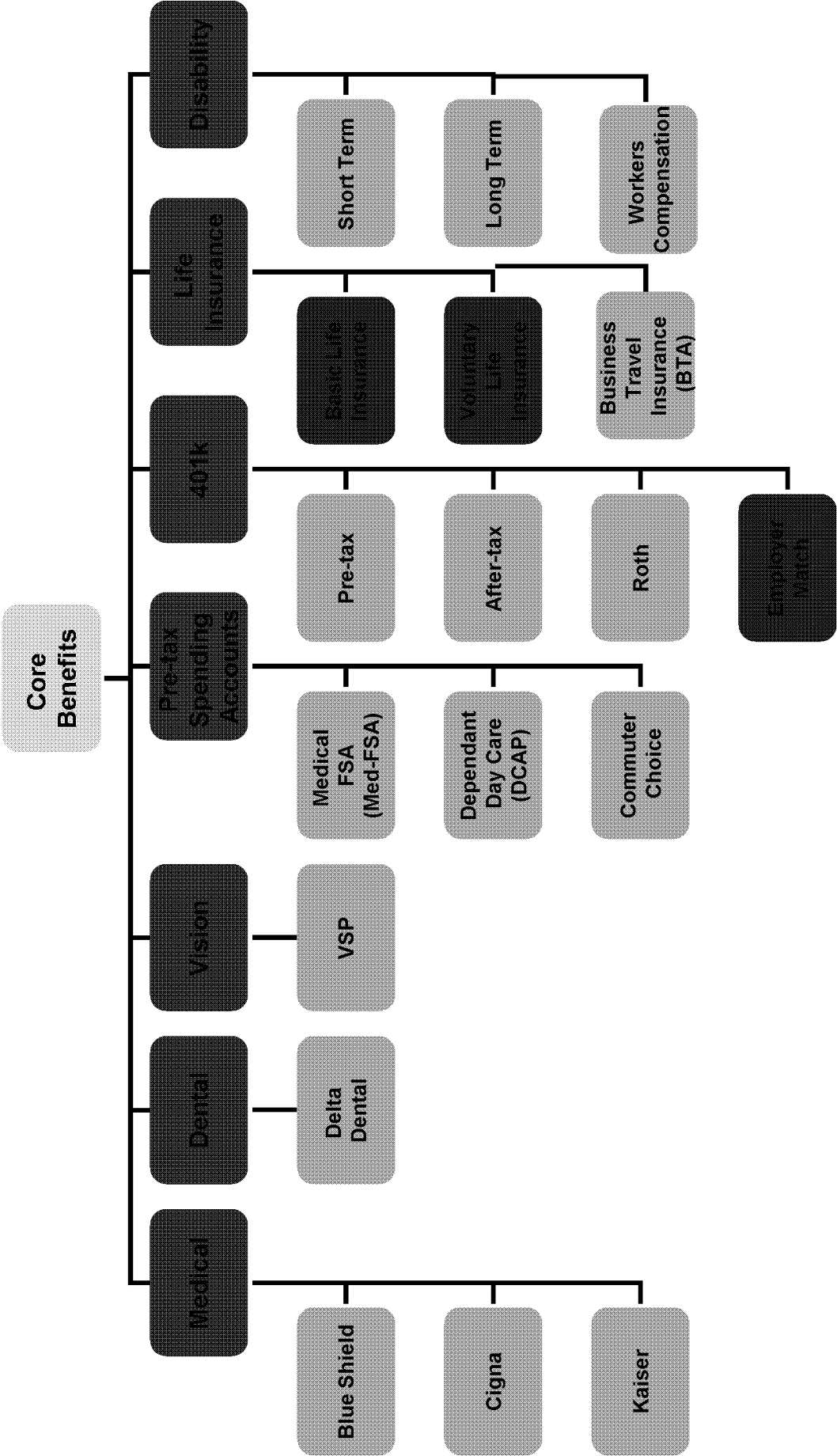
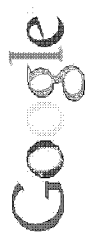


- Core benefit programs including health insurance, disability coverage and retirement/pension plans, business travel assistance.
- Time off programs including vacations/holidays, maternity/paternity/parental leaves, disability leaves, personal leaves.
- Google perks:
  - Food Services
  - Wellness Programs
    - Fitness Centers
    - Health Fairs
    - On-site Physicians
    - Employee Assistance Programs
  - Massage Program
  - Child Care Services
  - Convenience Services
  - Continuing Education

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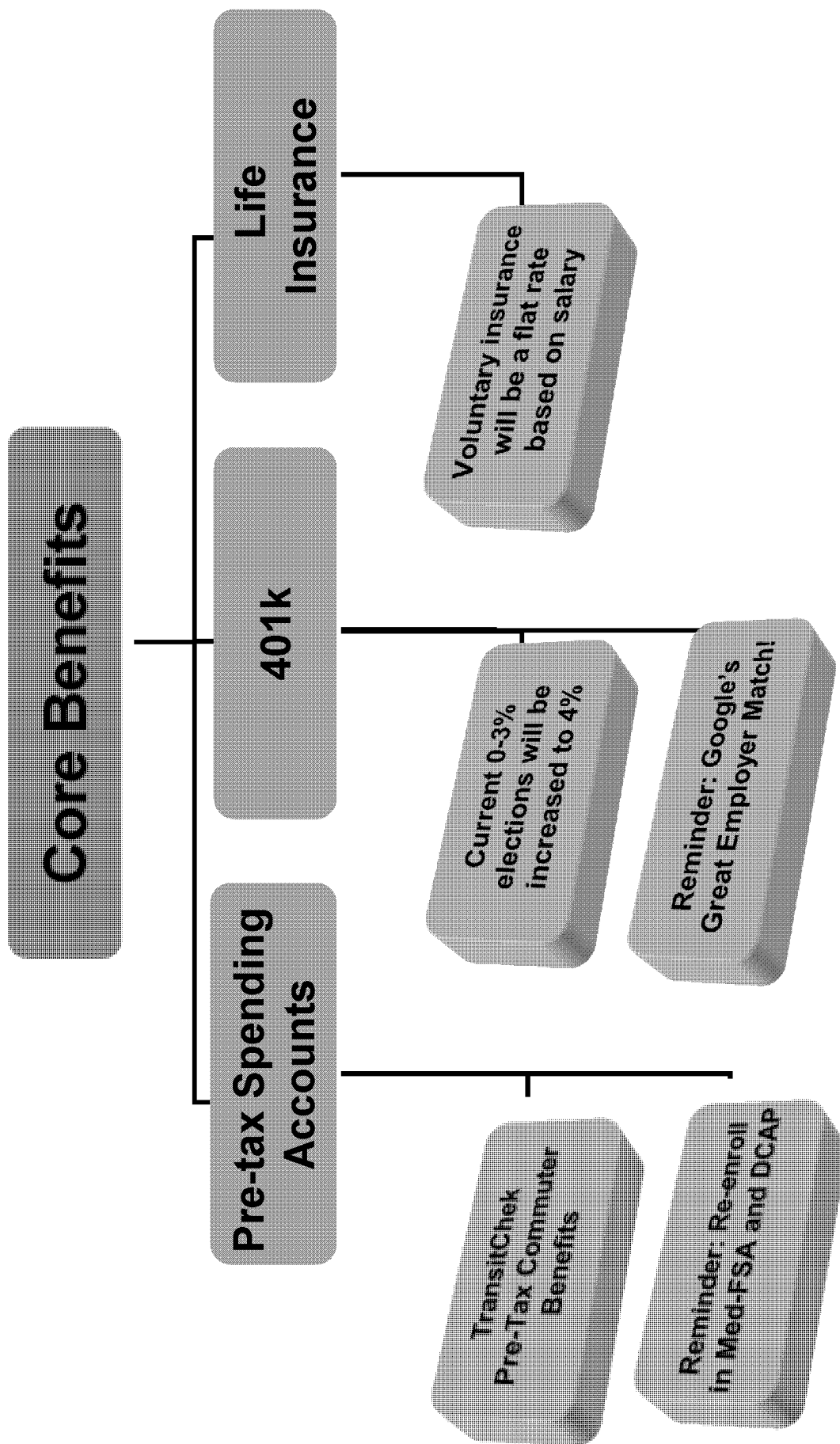


# Core Benefits - US



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# 2008 Core Benefit Enhancements - US



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## Benefits - Intl

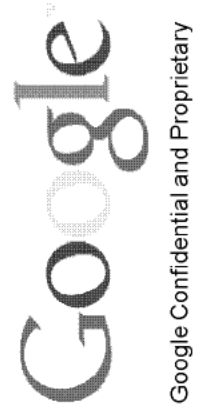


- Core benefit programs including health insurance, disability coverage and retirement/pension plans, business travel assistance.
- Time off programs including vacations/holidays, maternity/paternity/parental leaves, disability leaves, personal leaves.
- Google perks:
  - Food Services
  - Wellness Programs
    - Fitness/Gym subsidies
    - Employee Assistance Programs
  - Continuing Education
  - Language Training
  - Transportation Supplement Program

Office perks are primary a function of headcount considerations and local market norms. Please refer to MOMA for individual country benefits and/or contact [intl-benefits@google.com](mailto:intl-benefits@google.com)

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# Recognition Plans



Google

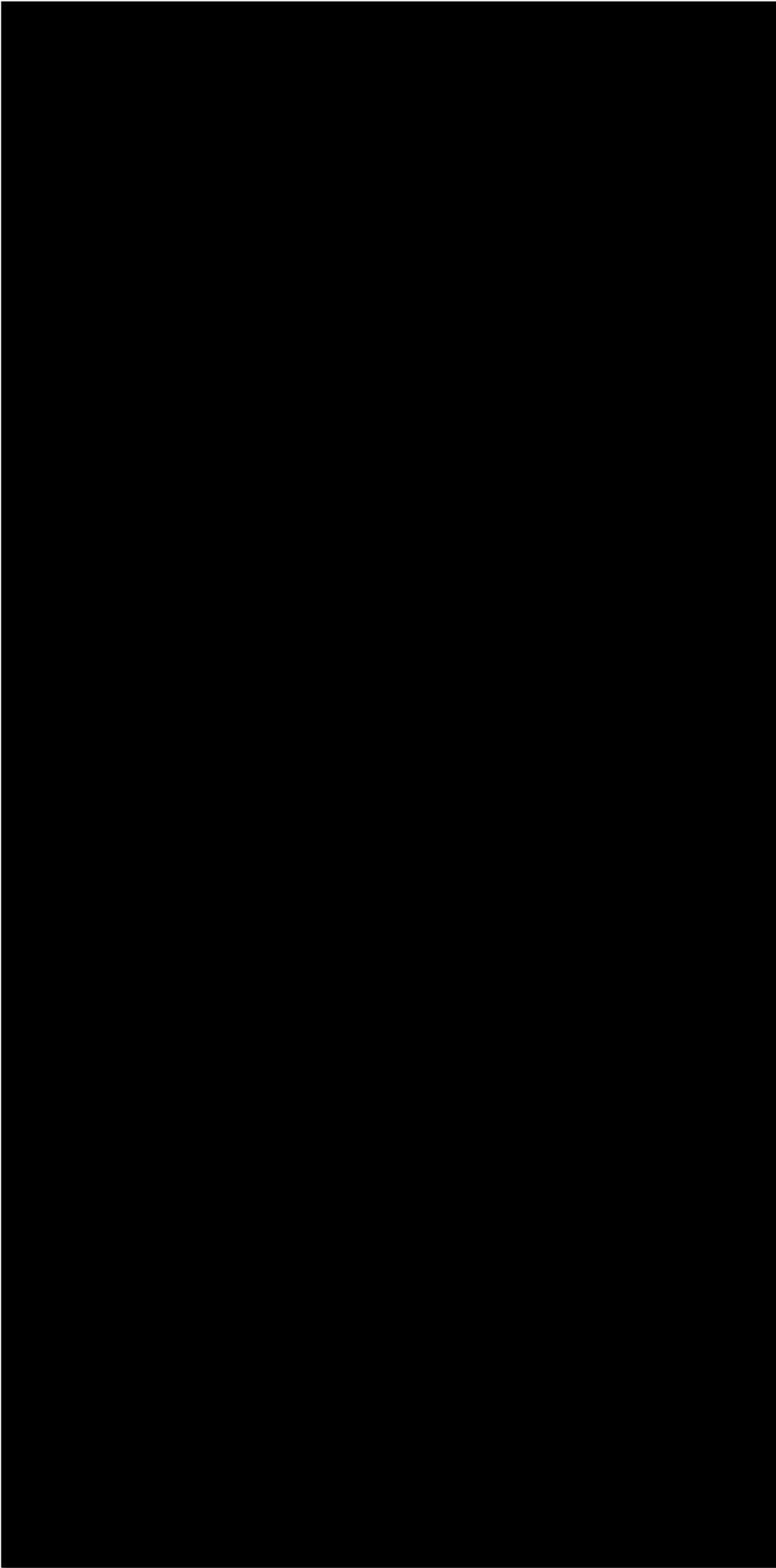


...  
**might even be the path of entry to a**  
...but not every achievement or every person will qualify for both.

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Google

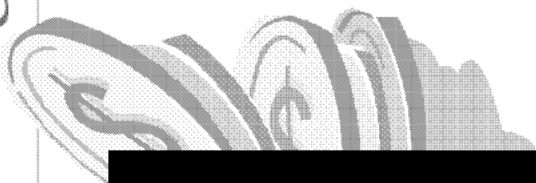
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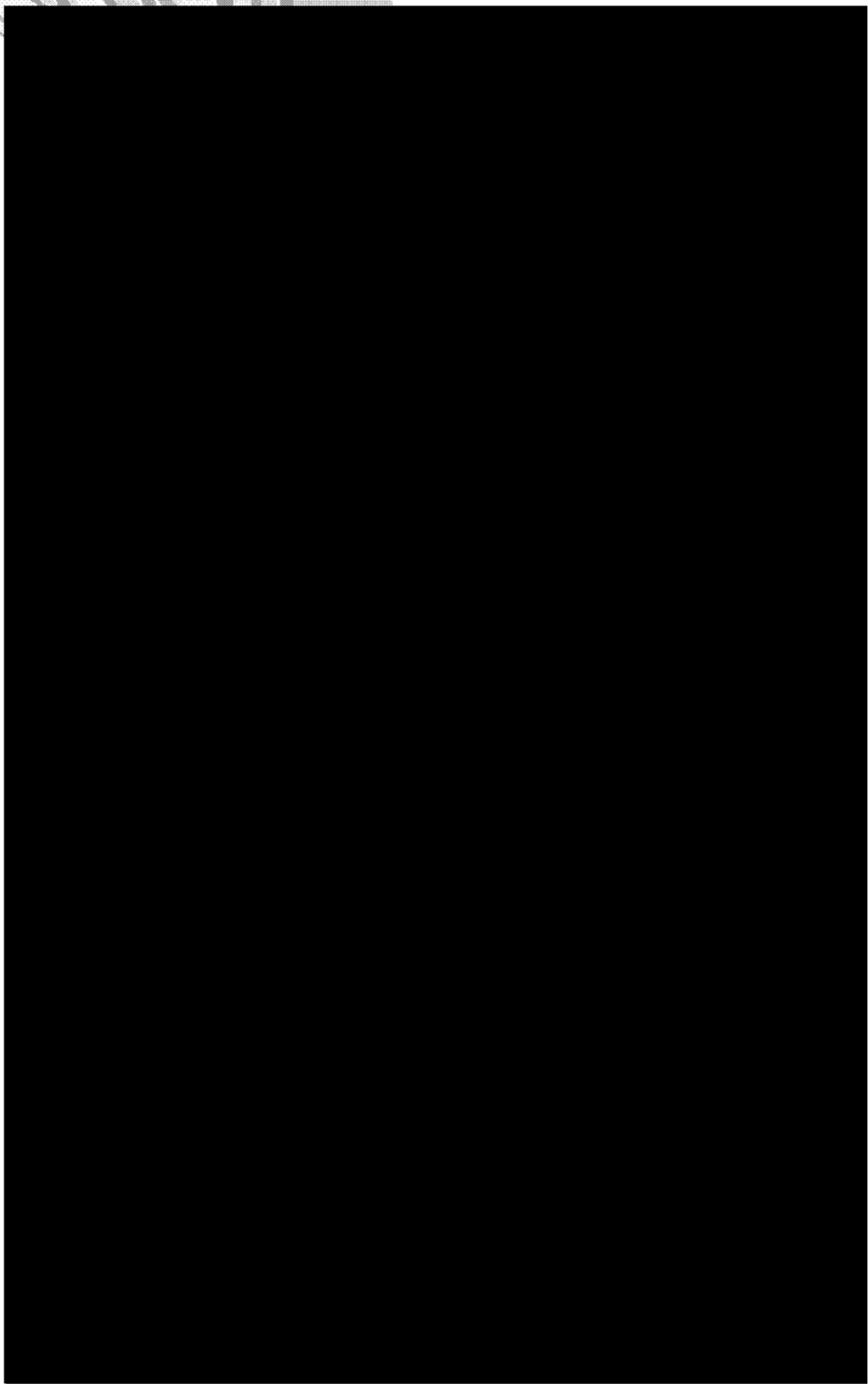
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Google



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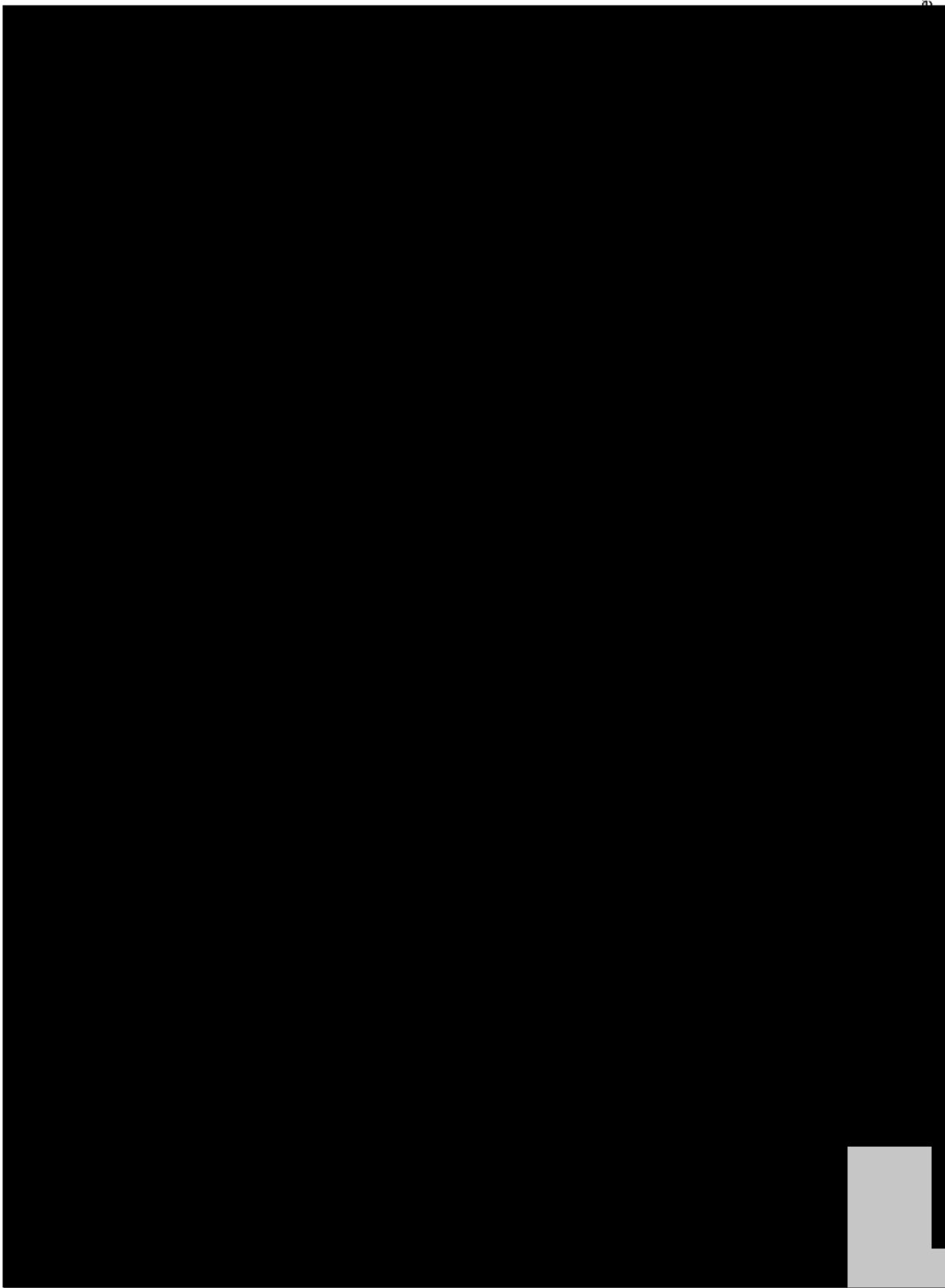
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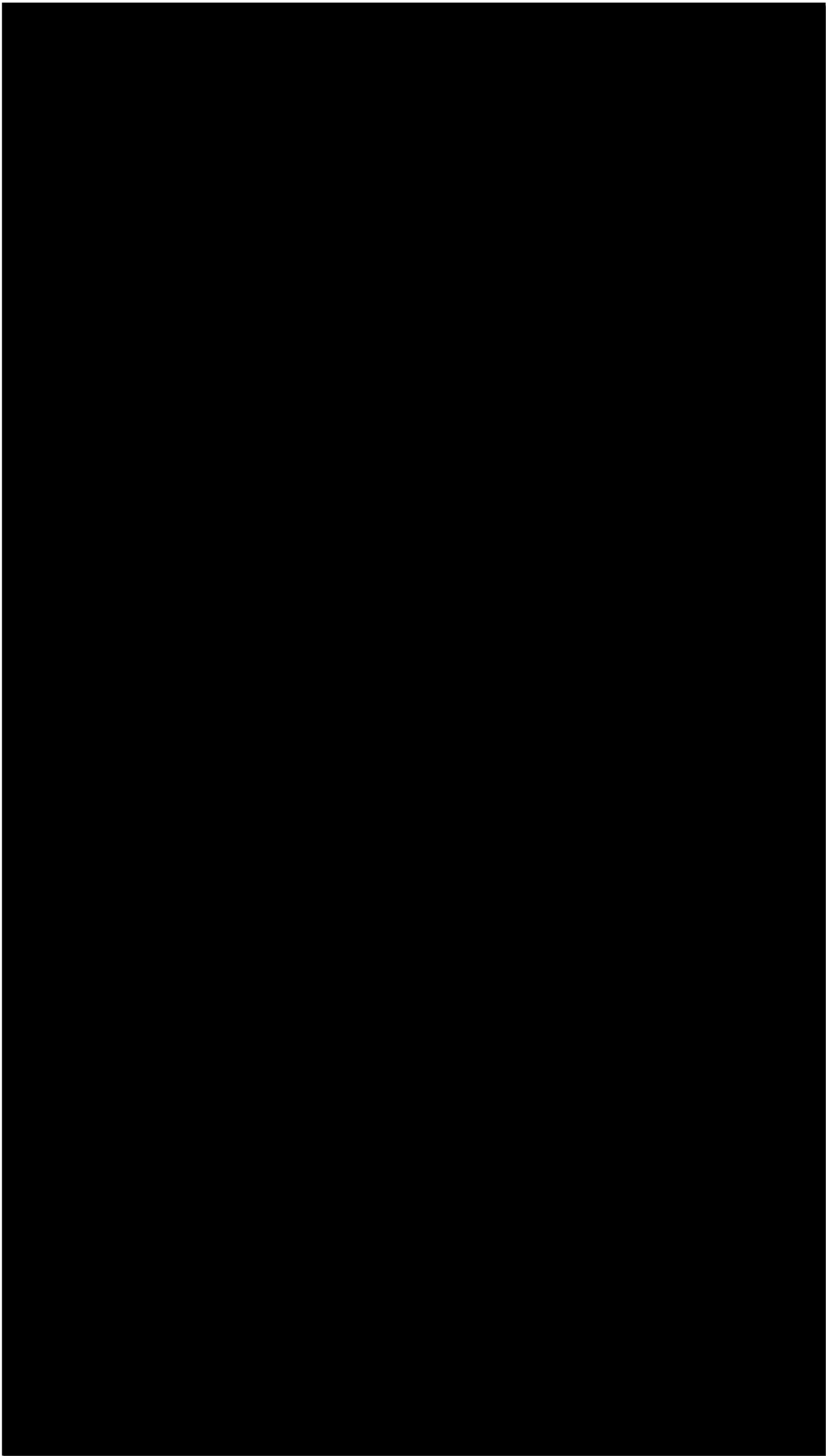
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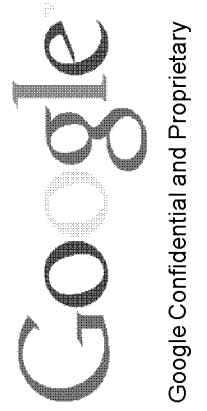
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# Q and A



## Slide Notes

### Slide 3:

Comp Philosophy

Value Proposition

Application

Roadblocks

Comp Structure

Ladders

Leveling

Benchmarking

Ranges

Bonus Plans

Company

Sales

Sign-On

Relocation

Retention

Equity



Offer Process

Roles and Responsibilities

Comp Genie

Comping an Offer

## Slide Notes

Objections and Rebuttals

Re-Negotiation

Annual Salary Planning

### **Slide 5:**

Why did we establish this policy?

Pay for Performance

We want to reward high performers and offer an incentive for hard work and great achievements

We want to promote innovation and performance

If there was just a base salary people may not be motivated to go above and beyond. In this sense we've designed pay as a form of motivation.

To attract the kinds of employees that we want. Companies that pay high base, low bonus want to attract a stable workforce that will stay until retirement – that's not necessarily the workforce we're looking for. We want innovative risk takers who will think outside the box and challenge themselves and their peers.

Leveraged Comp

We want employees to share in the success of Google as a company – Accordingly people are empowered to make a difference

Tied to the culture – very little micromanagement.

Equity Programs

Mixed arrangement of our equity packages offer downside protection

Through equity employees are tied into the success of Google (The better Google does, the higher the stock goes, the higher the stock goes the more money employees make)

We give equity to everyone. This is rare – Most companies just give equity to manager level and above. This reinforces our belief in inclusion and equality.

## Slide Notes

### Slide 6:

Google aims to be very competitive on total reward – we aim to be highly competitive, and offer a larger total reward packages than other companies. All aspects of our compensation package are strong and highly competitive. Salaries, bonuses and equity are all above market, and can be quite valuable in total. Many features of our benefits are unlike most other companies.

Please remember that our pay is highly competitive for the job that we ask them to do at Google. Don't confuse someone's background and pay history with reasonable expectations for the job...if a Company Controller decides to apply for a Accountant job, our pay will be highly competitive for the Accountant role – though it may not match the pay for their current role that is much larger.

We shouldn't apologize for our pay levels or alter our pay approach for those who choose to take a smaller job at Google than their job at a previous employer.

In addition to the financial aspects of our package we also offer a unique working environment that allows Googlers to work for a company which is changing the world, and offer the chance to work with truly exceptional people. This non-quantifiable aspect of our total offering can be very compelling to candidates, and can be just as valuable as the quantifiable aspect of our pay.

### Slide 7:

Our compensation philosophy today (for non-Sales) is to target compensation at the [REDACTED] percentile for each of salary, total cash, and stock compensation.

What does this mean?

[REDACTED] percentile means we want to pay more than [REDACTED] of companies for the same job in the same local market.

It doesn't mean we target our compensation to be the highest. If you compare your salary with enough of your friends doing similar work at other companies, you should expect to find some earning higher salaries

However, if you were to compare actual total compensation, you might find Google compensation to be much higher, or even highest

Our compensation philosophy has been evolving as we have been evolving

## Slide Notes



### **Slide 9:**

In order for us to effectively sell the value of compensation, we need candidates to understand each of the different components and their value. This includes our philosophy, our salaries, bonus, equity, benefits and the non financial value of working at Google – the Company and what it does, the people, the products and the work that the candidate will do.

We also want to make sure that candidates understand and appreciate the value of equity that we provide – it is very competitive compared to most other companies, and should be something we explain to candidates in terms of value. The TSO program is unique and allows employees who choose to cash in options for far more value than can be earned through a typical option program.

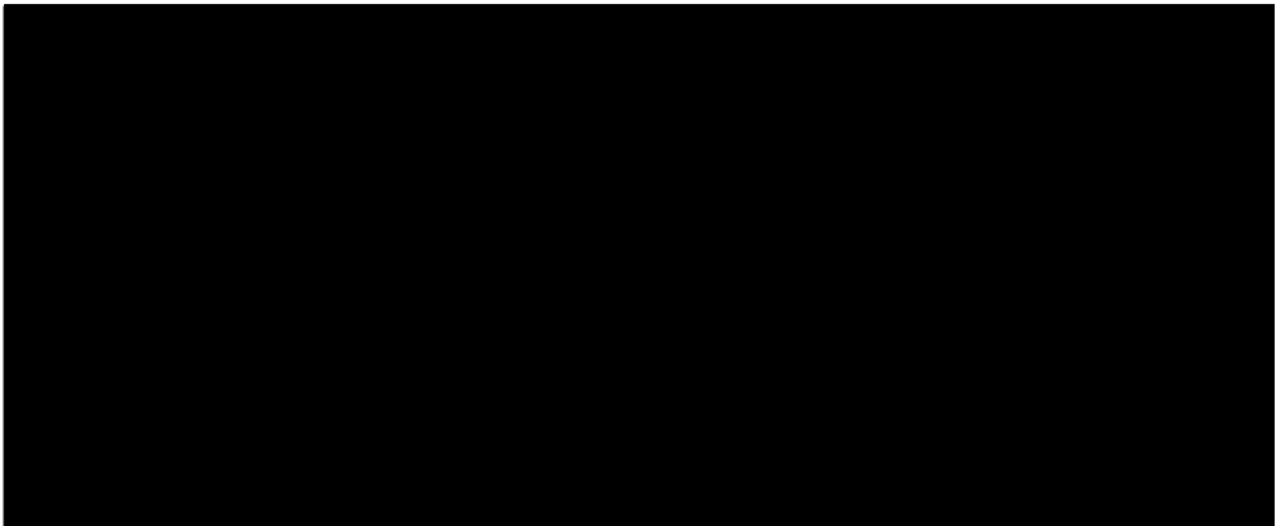
We also want to make certain that candidates also understand that new hire equity is not all the equity they are likely to receive – we also grant highly competitive stock option awards each year, particularly to our best and most valuable employees.

Google is a growth Company, and if it continues to do well financially, we believe that the market will continue to reward shareholders, including Google employees.

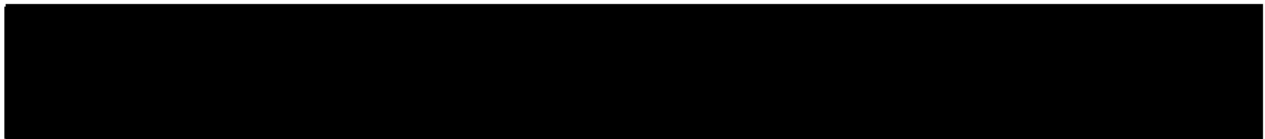
### **Slide 11:**

## Slide Notes

Google's compensation structure is divided into several different "ladders," each correlating with various types of roles within the organization. [REDACTED]



### Slide 12:



### Slide 14:

#### BRAND NEW POSITIONS – Creating a Job Profile

Define the position based on Business Need & Expected Impact on the team, group, and the company.

Determine the skills and knowledge required for the position, plus key talents.

Provide the Comp team with the job description, and the Comp team will match the position using internal data sources.

We want to create new requisition – University Programs Specialist in Sydney. We create job description – responsibilities/qualification, etc. <see job profile description below> We level this job based on the profile we've created– People Programs Specialist = E3.

## Slide Notes

### JOB PROFILE

Responsibilities • Develop and maintain relationships with key academic and administrative representatives to enhance Google's presence at each university • Establish and execute recruiting strategies based on the expertise you've acquired at your assigned schools • Prepare recruiting teams for campus visits • Create marketing and communications materials that encourage top students to apply • Track results and effectiveness of campus activities and share best practices

Requirements • BA/BS degree • Knowledge of the academic cycle and campus recruiting procedures and practices • Minimum of 5 years of experience in program/event management, recruiting, HR or a related area • Self-directed and able to work independently • Proven ability to work with multiple groups, including remote teams • Strong presentation skills • Exceptional verbal and written communication skills

### Slide 15:

We set our pay levels consistent with our philosophy based on the role at Google and the local market. Essentially, we pay for cost of labor NOT cost of living.

What is Google's intended position relative to market (non-sales)?

■ percentile for each element of pay - base salary, incentive and equity compensation

How do we measure the market?

Salary surveys: Radford, Hewitt, Mercer, Watson Wyatt, Towers Perin

Informal/Anecdotal sources:

These sources include previous pay, trends noted by recruiters and "pulse" surveys

Peer comparator companies

■

How do we compare jobs to the market?

Functionally

Scope factors (role complexity, domain expertise, span of control, etc.)

Geographically



## Slide Notes

### **Slide 16:**

In the example of our candidate we would first look at what the Sydney market is paying for University Programs Specialists. If we can't find data specifically on the University Programs Specialist role we would look at comparable roles in the Australian market, such as Recruiting Specialist.

Once we have gathered external market data we will look internally. We would look at whether we have a comparable role to the People Programs Specialist currently working in Google Sydney. An example might be the University Programs Specialist role, which does currently exist in Sydney. <REFERENCE CHART>

We would also look at whether the University Program Specialist role exists in Mountain View. We would then do a comparative analysis of several different roles in both locations across functions and ladders to see how those roles pay relative to what we're trying to benchmark. This will help establish the foundation for creating an accurate reference point and range. It's important to note if the role exists in Mountain View it is NOT accurate or sufficient to simply to change the currency and pay the candidate accordingly

### **Slide 17:**

This shows how highly competitive our salaries can be. For this particular job, we try and target pay at the [REDACTED]. Generally, we'd like to bring in new employees into the role below our market target and have them earn their way to higher salary levels. So, over time, our higher performers will be able to earn salaries over the market [REDACTED] for this job.

### **Slide 18:**

When confirming the candidate's level, consider how they compare against our Google incumbents.

## Slide Notes

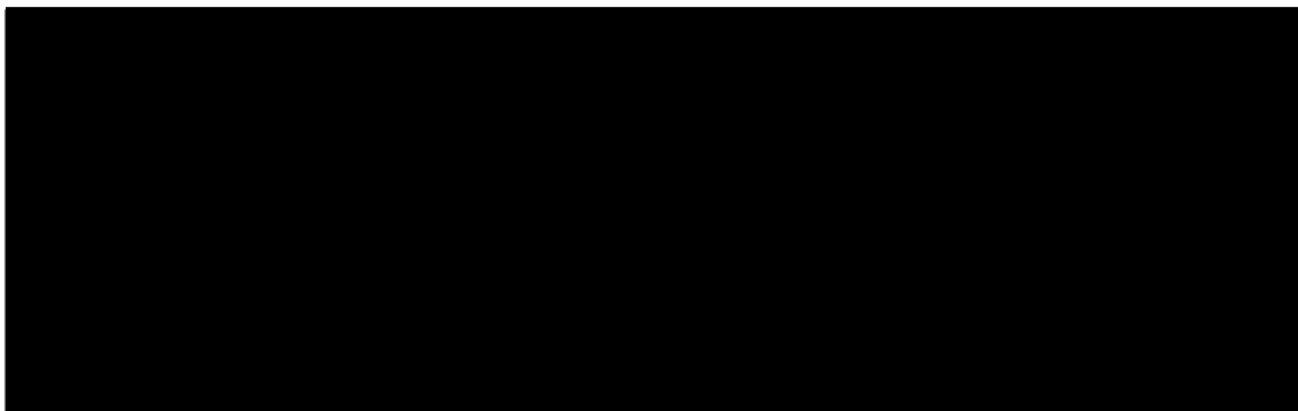
How does this candidate's education and experience compare to their Google peers?

What specialized skills or critical knowledge might they bring?

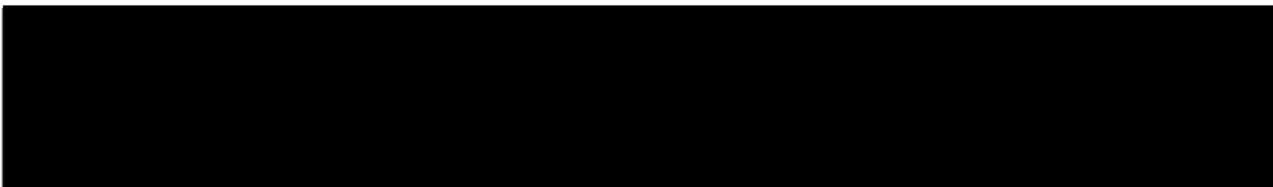


### **Slide 20:**


Most Nooglers are assigned, at the time of hire, to a specific job level within a specific job family. This assignment reflects Google's experience that a Noogler's past education and work experience are excellent predictors of her future job performance. However, a Noogler hired into a slottable job family is assigned to a job level only after she has been a full-time Google employee for at least three months. In the interim, HR assigns these Nooglers a temporary pre-slot job level and a job title that reads Member of Technical Staff.



### **Slide 22:**




## Slide Notes




We've listed job titles here for some of our technical and non-technical jobs.

As you can see, bonus opportunities are determined by salary grade.

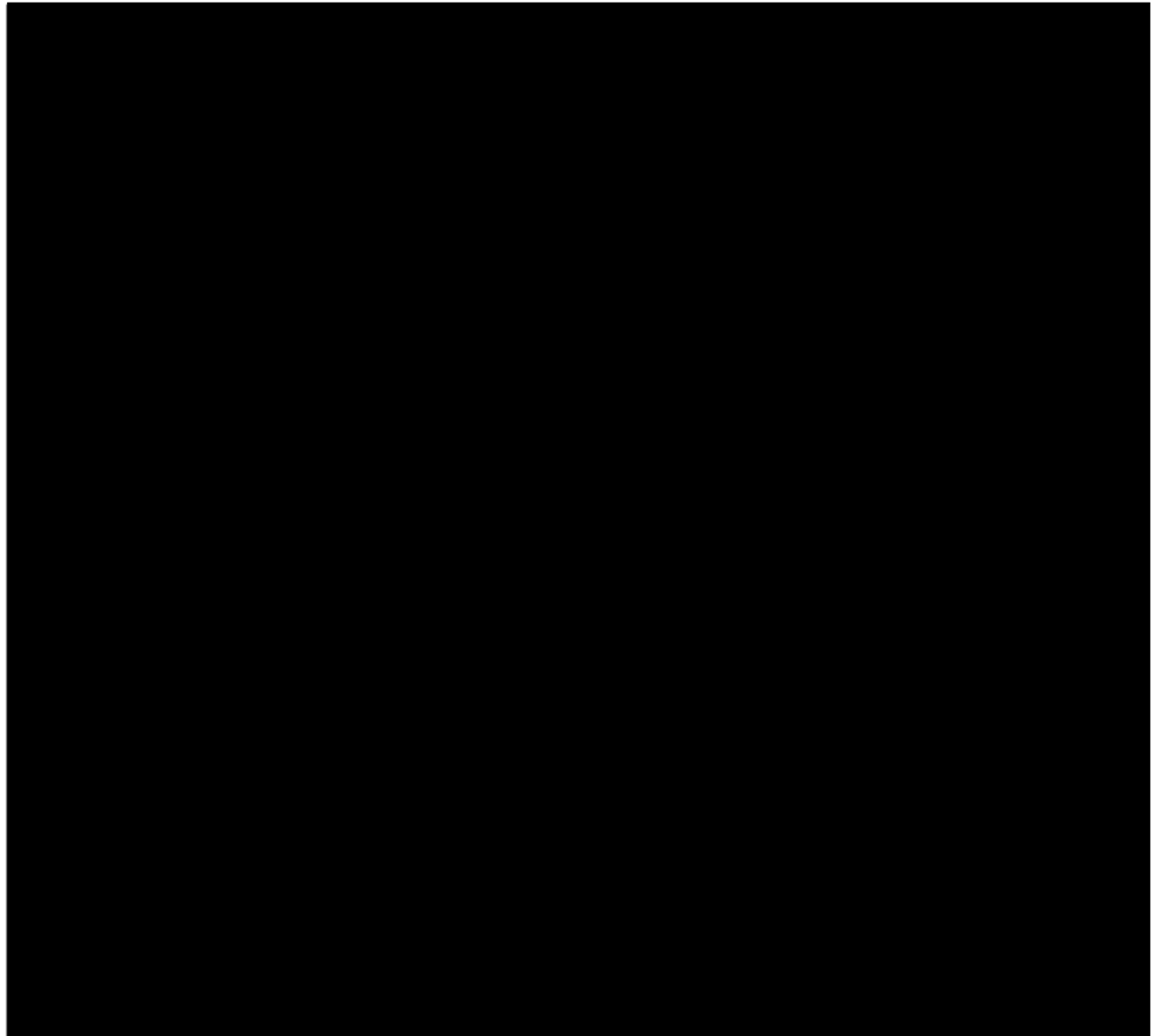


### **Slide 23:**

Bonuses are calculated using a formula that includes 4 variables:

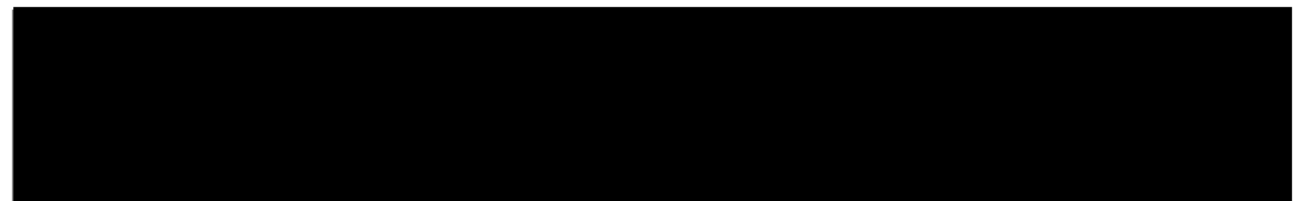


## Slide Notes



**Slide 24:**

Eligibility



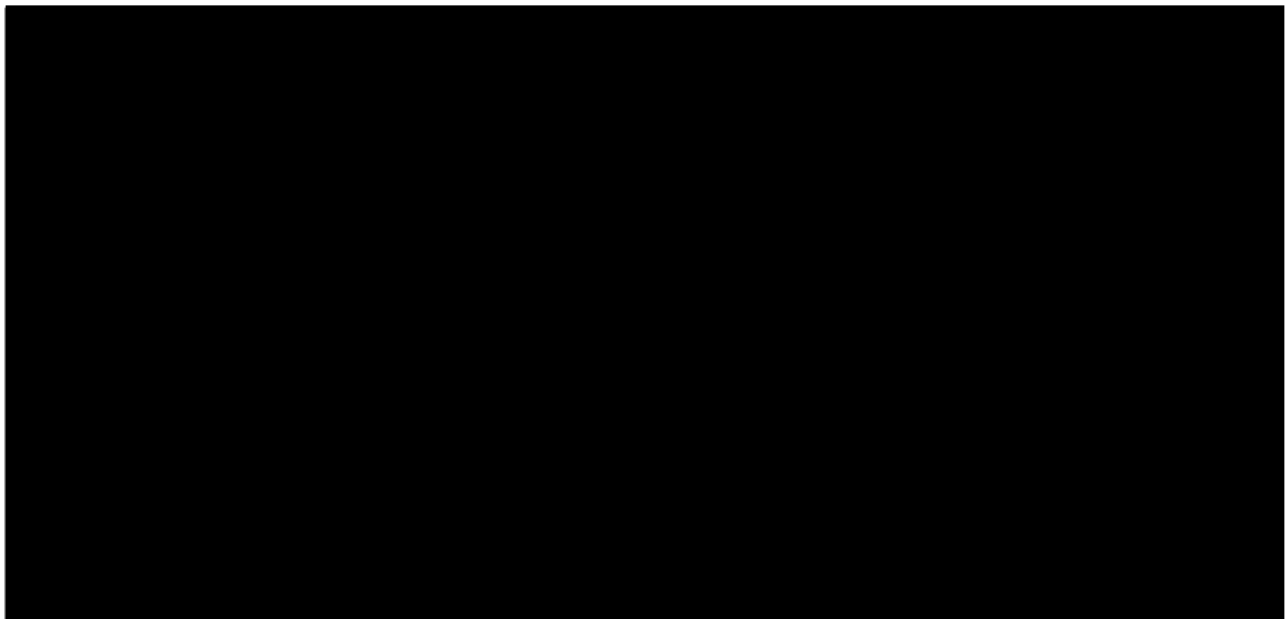
## Slide Notes

### Slide 25:



Please understand the bonus target are competitive within the US market and cannot be used outside of the US as the bonus targets may vary outside of the US.

### Slide 26:




### Slide 27:

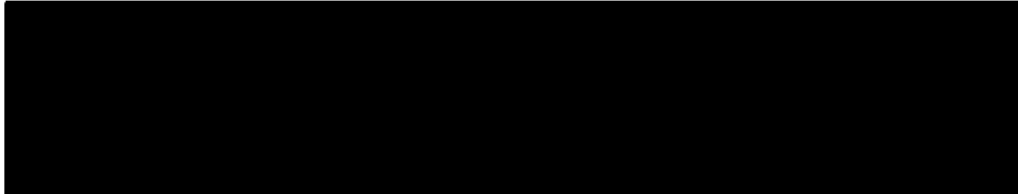
Situations where sign-on may be appropriate



## Slide Notes



Situations where sign-on is generally NOT appropriate



How much should a sign on be?

Depends on the package and what needs to be done

### **Slide 28:**

Relocation packages may be one of the most undersold elements of our compensation packages, especially to higher level candidates. Google offers extremely competitive packages that can include such things as fully reimbursed house hunting trips, car shipment and in-transit storage of household goods <refer to US Relo Packages Summary sheet in handouts>

### **Slide 35:**

With both kinds of equity, the recipient must pay ordinary income on the entire amount of gain. There's no getting around the ~40% tax.

The difference between options and GSUs:

Options – Google grants non-qualified options (NSOs). NSOs are not taxed until the options are exercised

GSUs – tax immediately upon vesting, due on that day. Therefore, to help employees avoid that administrative burden, we withhold tax upon payment. It's similar to how we withhold tax on a bonus as it's paid out.

The tax rate is the same rate as applied to bonus payments. And, as you report your taxes the following year, there might be a true up depending on the employee's individual tax situation..

## Slide Notes

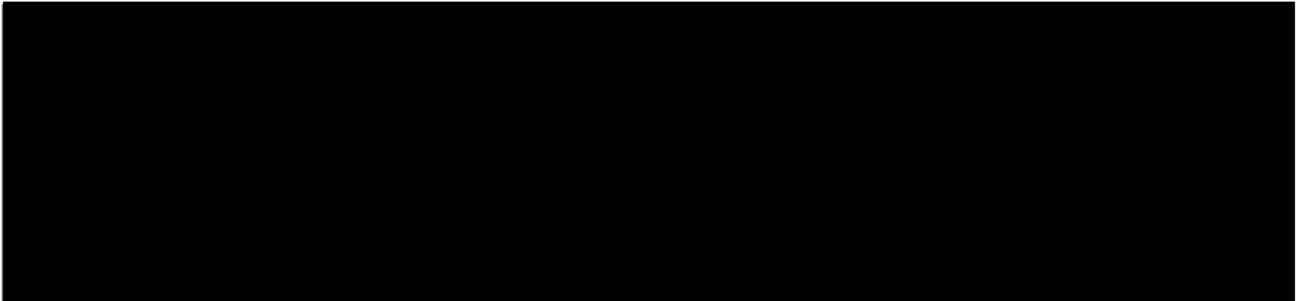
To see your country's specific tax effect on Google stock options and/or GSUs:

[www.pwcequityplanner.com](http://www.pwcequityplanner.com)

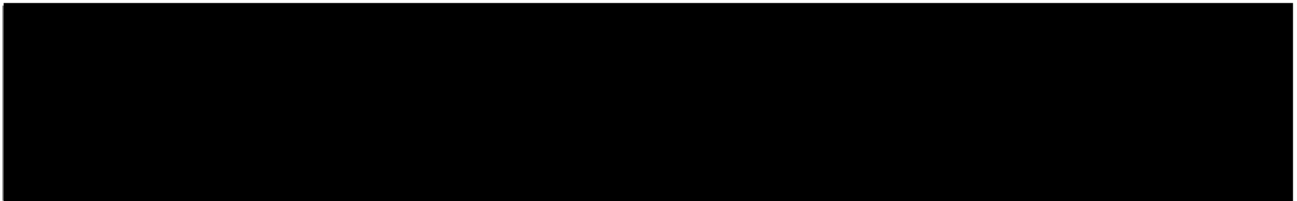
Username: Google EC

Password: blogger

### Slide 36:



Who gets a grant?



Are employees in all countries eligible to receive grants?



When will grants be made?



## Slide Notes

### **Slide 38:**

Parental benefits

Life Insurance

Days off

### **Slide 40:**

Parental benefits

Life Insurance

Days off

### **Slide 41:**

Overview

Same limits as Ceridian – 105 pre-tax for commuting/ 210 for parking, exceeding limits would be post-tax

Options:

1-VISA card

2-NY ONLY Transit Center Metro Card

3- Vouchers

401K- Starting Jan 2008, anyone that has 0 to 3% will be bumped up to 4% and anyone joining will be bumped up as well. Mailing in Nov (letter to their home) to ee's that are enrolled 0 to 3% to let them know about the change; Dec they can opt out. Encourage more savings and take advantage of employer match.

Life- Can elect based on multiples of their salary not to exceed \$1,000,000. VTL not tied to OE but during OE, EOI not required up to \$200,000. Email will go out –personalized- letting them know how they will be affected and mapped over. Rates have gone down. Will be posted on GoogleeLife during OE.



## Slide Notes

### Slide 46:

FAQ's:

Q: Who is eligible for a [REDACTED]?

[REDACTED]

Q: Will I have to stand up at TGIF if I get a [REDACTED]?

A: No. You won't have to be publicly embarrassed. You'll just get some cash, and maybe a cute certificate.

Q: Can I nominate myself?

[REDACTED]

Q: Can temporary workers/contractors nominate regular employees for peer bonuses?

A: [REDACTED]

Q: Alright, is it okay if I nominate [REDACTED] and then [REDACTED] nominates me?

[REDACTED]

Q: Are interns eligible for peer bonuses?


A: [REDACTED]

### Slide 47:

An opportunity for all teams to participate in a bonus program and more visibly recognize the teams and individuals for their accomplishments.

Selection is made at the manager/director level, however peer input is highly encouraged.

## Slide Notes

Two award amounts , based on overall impact/contribution

Measurable improvement to customer satisfaction

Measurable efficiency gain

Measurable revenue impact

Demonstration of teamwork

Other outstanding individual or team contribution